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# Sales Management

The Weekly Magazine for Marketing Executives



David Sarnoff
Who was elected president of the Radio Corporation of America this week

Straight Facts about the Grocery Warehousing Plan

How We Forecast and Plan Sales Six Months in Advance



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## EINSON-FREEMAN CO., INC.

Lithographers

OFFICES AND COMPLETE MANUFACTURING PLANT 511-519 East 72nd Street · New York City

Inventors and Manufacturers of the Einson-Freeman Patented Double Tier Container

The Alexander Hamilton Institute

## ANNOUNCES

New Executive Training for men who want to be independent in the next five years



The next five years in American business will offer more opportunity and more danger than any similar period for a long time.

More men will achieve independence. More men who might achieve it will fail because of a failure to analyze properly the facts.

A right program will be more profitable than it has ever been. A wrong decision will be far more costly.

To put it in other words, the organization of business, the tempo of business, the speed of business are all in process of rapid change. The evidence is everywhere. In a brief period of thirty days between October 15th and November 15th, 1929, thousands of men who supposed that they were secure for life found themselves suddenly ruined. Thousands had their confidence so shaken that they are dazed and wondering. They have no plan. "What will happen to business in the next few years?" they are asking. "What program should we lay out for ourselves?"

#### The Institute foresaw the trend

Two years ago the Alexander Hamilton Institute, from its nation-wide contact with business leaders, sensed the tremendous changes which were about to come, and began to make preparations to meet them.

The Institute's original Course and Service in business was a great Course and did a great work. More than 398,000 men made it a part of their business equipment, and are far ahead because they did.

But the Institute saw that revolutionary changes were in prospect. Little business units were being merged into big units. Industries were reaching out into foreign markets. Security prices were about to become subject to a whole new set of conditions. Production methods were being revolutionized. The sales organization and strategy of the past were entirely unfitted for the new competition. The responsibilities of guiding the new business could not be discharged by men whose training had been in the old.

The Institute said: "We must prepare a wholly new Course to meet the new conditions. We must add authorities whose business success belongs to the present, and not to the past. They must be the biggest and most successful men of the present—the men who will be the leaders during the coming five years."

Without regard to cost, the Institute went out to enlist the co-operation of the nation's business leaders. The response was even beyond its most sanguine expectations. In effect, one and all these men said:

"The greatest need of all is for trained leadership. Count on us. Any contribution we can make to this New Executive Training will be a contribution to our own best interests, because it will furnish us with more of the sort of executives we need."

It is impossible in this page to give detailed facts about the New Course and Service. It is new from start to finish—so new that the latter part will not be entirely off the presses for some months. Every unit will come to you fresh and live and breathing—straight from the very inner sanctums of this new business world.

We invite you to send for the full facts in a new book entitled: "What an Executive Should Know." It is a volume that should be read by every man who expects to win a secure place for himself in the next five years. It is well worth an hour of your time. And it is free.

Send for your copy today. You cannot gain a proper perspective on what lies ahead unless you look at the picture through the eyes of the country's biggest men.

Alexander Hamilton Institute, 985 Astor Place, New York City, (In Canada address Alexander Hamilton Institute, Ltd., C. P. R. Building, Toronto)

Please send me "What an Executive Should Know," which describes the new Modern Business Course and Service.

Name\_\_\_\_\_\_

Published eveny Saturday and copyrighted by Sales Management, Inc., 420 Lexington Ave., New York, N. Y. Subscription price, \$4.00 a year in advance.

Entered as second-class matter June 1, 1928, at the Post Office at New York, N. Y., under the Act of March 3, 1879. Volume XXI. No. 2.

## A Slumpless City—

Newark, New Jersey, again to the front in gains in Department Store sales—

Federal Reserve Board statistics show that, among all the large cities of the East, with one exception, Newark shows the greatest percentage of increase in Department Store Sales during the first eleven months of 1929, as compared with the same period of

They show, also, that in the same period, Newark's percentage of increase was much greater than that for the country at large.

Because of the great diversity of the city's industrialism, periodical hard times are practically unknown.

Always plenty of employmentalways plenty of money in circulation. And the

#### Newark Evening News

is the Home Newspaper of this prosperous city.

These are some of the reasons for the super-pulling power of the NEWARK EVENING NEWS.

DAILY **CIRCULATION 1929** 

150,151

#### Newark Evening News

EUGENE W. FARRELL Business and Advertising Manager 215-221 Market Street, Newark, N. J.

O'MARA & ORMSBEE, INC. General Representatives

New York - Chicago - Detroit
San Francisco - Los Angeles

## Survey of Surveys

#### BY WALTER MANN

#### 100,000 Group Market Data Book

Write to your agency—to your congress-man—to the New York Times or the London Times—write to any influential friend who can speak a good word in the ear of one "Les" Barton at Chicago—if by now you haven't secured a copy of the third annual edition of "A Study of All-American Markets" put out by the 100,000 Group of American Cities. I have had my copy for nearly a month now trying to find unworn or even half-worn superlatives to describe its contents.

The fellow who started that "bigger n' better" slogan must have been a 100,000 Group member-if we can judge by the marked improvements that each of its three succeeding issues has contained. The 1930 edition is both bigger (in page size and in number of pages) and better (in content and in authenticity of its figures) than either of its two predecessors. It is described in its preface as "an authoritative guide for estimating the potential sales possibilities of the nation's principal mar-kets and the national market as a whole." And we are prompted to chime in with an "O—Kay" in the best lower East Side

manner.

The following buying power indices are given in standardized compilation: lation characteristics (from the 1920 Census and with 1929 estimates from the Bureau of the Census), including the number of people, the number of families and the number of male and female buyers of fifteen years or over; motor car and truck registrations; number of dwellings (1920registrations; number of dwellings (1920-1929); amount of savings bank deposits; and the daily and Sunday circulation of the 100,000 Group members. If there is no 100,000 Group member and the city is nevertheless a "market," the circulation figures are given for all the papers in that The number of wholesalers and retailers in the following twenty-five classifications (broken, wherever possible, into chain stores and independents) is also a regular and valuable feature: Automobile and truck dealers, auto accessory stores, garages and tire shops; builders' material and lumber yards; cigar stores; clothing and furnishings (both men's and womand rurnishings (both men's and wom-en's); confectionery and soft drink stores; department stores; drug stores; dry goods and notions; household electrical appliances; florists; furniture and house furnishings; gasoline and oil filling sta-tions; general stores; chain five cent to a dollar stores; grocery stores; hardware stores; jewelry stores; meat markets (ex-clusive); musical instruments and radio; office equipment and commercial stationers; plumbing and heating; restaurants; shoe stores (men's and women's); and finally total retail and wholesale outlets.

All these data are carefully compiled for every town of 1,000 or more and for every county of the United States. The first 350 pages of the book give the figures and details of what are termed "the nation's 100 principal markets" separated into two divisions. The first division gives the statistics by towns of 1,000 and over in the specific market under discussion; the second gives the statistics for that mar-

ket by county totals.

There are 100 market maps included in this section which are "designed to include some territory adjacent to the retail trading area of each market." We could find, however, no explanation of how these areas were determined. This is unfortunate; but the book is so direct in all its statements and so careful in giving other sources that we tend to put this omission down as an oversight. We would also be interested oversight. to know the basis upon which the popula-tion of these areas was determined—when parts of counties, rather than whole counties, were included in a trading or market

The impersonal way in which this whole market problem was approached is indi-cated by the fact that 100 principal mar-kets include twenty-one markets in which there are no 100,000 Group newspapers. A move of this kind goes far to cause a study to be regarded as a real fact book and not merely a sales presentation. In those markets where there are no 100,000 Group people, however, the circulation of all the papers is given—whereas in the markets where there are 100,000 Group members, only the circulation of the Group number is included. Probably it is asking lot to urge that the circulation figures of local competitors—who pay nothing to-ward this highly valuable work—be in-cluded or even that columns be left so that the figures for the other papers might be added. We could quite understand 100,000 Group's diffidence on such a proposal but if this is impossible it would be wiser, we feel, for the 100,000 Group to include only the "leading" paper (in circulation) in the twenty-one other groups, thus avoiding invidious comparison

Section two of this invaluable book includes statistics for the 8,046 towns in the United States having a population of 1,000 or more, arranged alphabetically by states for the 3,072 counties. There is this year, a division of statistics in each county which a division of statistics in each county which gives a separation of all data between towns of 1,000 population and over—and "all others or rural"—which is an original feature of exceptional value. The specially drawn state marketing maps on which are shown all states and counties included in the statistical pages also show the general the statistical pages, also show the geographical relationship of the principal mar-kets, an unusually worth-while feature. Last but far from least is the combination of all areas in their states on a large United States wall map which gives the picture in its entirety as nothing else could.

"Bigger n' better" is certainly a pat description of the third edition of "A Study

of All-American Markets." If they ever pick an all-American team of worth-while research projects, the annual 100,000 (Continued on page 92)

Published Every

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1930

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R ICHARD C. HAY is already well known to Sales Management readers, not only for his series of articles on Standard Sales Presentations, which recently appeared in this magazine, but also for his excellent book, "Sales Management Fundamentals," published by Harper & Brothers. Mr. Hay now has another book, "The Job of the Sales Manager," under way, in which the material used in Sales Management will be embodied.

By special arrangement Mr. Hay

By special arrangement Mr. Hay is writing for SALES MANAGEMENT as one of its Associate Editors. This is the only magazine devoted to sales and advertising in which his articles will appear.

The sates and advertising in which bis articles will appear.

A majority of his articles will be based on questionnaires and inquiries addressed to his host of friends who are executives in charge of marketing for many important firms. His forthcoming articles will relate largely to sales training methods and policies, as they are working out in actual use. Mr. Hay started with the J. L. Hudson Company of Detroit. Later he became sales research manager of the National Aniline & Chemical Company in 1921, which he also served as manager of their largest branch and as director of advertising. He managed sales training for the American Radiator Company and later was in charge of sales promotion. He also derived much practical experience as director of sales and advertising for the May Oil Burner Corporation.

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RAYMOND BILL, President; PHILIP SALISBURY, Vice President and Director of Advertising; J. F. WEINTZ, C. E. LOVEJOY, Vice Presidents; M. V. REED, Eastern Advertising Manager; Frederick Franklin, Promotion Manager; R. E. Smallwood, Circulation Manager; G. D. Young, London Manager. Published by Sales Management, Inc., 420 Lexington Avenue, New York; Chicago Office, 333 North Michigan Avenue; London Office, 33 Chancery Lane, W. C. 2.



A Whole Series of Electrical Happy New Years!

If you sell electrical supplies or equipment, you must have benefited by a 380 percent increase in the past 10 years in the use of current here. If not—now consider the simplicity of merchandising to 17 dealers and 16 electrical contractors in Jacksonville. Your advertising in "Florida's Foremost Newspaper" will move what they buy from you—because Jacksonville is a \$980,000 annual electrical equipment market—so completely covered, too, by the—

The Florida Times-Union JACKSONVILLE

is



## DUPLICATOR

If your dealer cannot supply you, write for further information.

SAFE-GUARD CHECK WRITER CORP.

Lansdale Pennsylvania

#### The Market Basket

#### A Month for Somebody

The new simplified thirteen-month calendar, now employed by 100 firms and endorsed by five times as many in this country, has been given a sort of official sanction (even though the United States Chamber of Commerce recently rejected it) by its adoption by Sears, Roebuck & Company. With 40,000 employes, several hundred stores in every state and an annual volume of business of \$450,000,000, Sears, Roebuck is about as well qualified as any organization to test it on a wide scale. Its success there will encourage other organizations to try it, and may be effective in persuading Congress to cause everyone in the United States to live and reckon by it. Such action would bring up a lot of interesting questions-some of which have already been touched upon by people who know more about calendars than we do. The thing that bothers us, however, is, what will the thirteenth month or "period" be called? There is the advertising problem. Whose name, on the calendar, may thus go on building up good will for that individual or group down through the centuries?

July, you remember, was named after Julius Caesar. Another Caesar, Augustus, has August. We read somewhere, in *Plutarch's Lives* probably (or maybe it was in Arthur Brisbane), that Augustus was jealous that his month at first had only thirty days, whereas Julius had thirty-one. So he took a day from February, then with twenty-nine, and added it to his own. In the new calendar, every month will have only twenty-eight days. There can be no snitching. But even such a month would be quite an advertising medium for somebody.

Perhaps Julius Rosenwald of Sears, Roebuck had that in mind when he adopted it—although George Eastman of the Eastman Kodak Company, so long a booster for the new calendar, ought to have something to say about it. So, too, if it goes through in his administration, ought Mr. Hoover, The President declined to permit the Boulder Canon Dam to be named for him. Perhaps he was afraid the whole project might fail, and reflect unfavorably on his name. The thirteen-month calendar, once adopted, however, would be more permanent.

In any event, the advertisers should get together to see that the new month is named after somebody. Merely to let it go at "thirteenth period" would reflect unfavorably on the aesthetic and promotional senses of our age.

#### An A. M. Reads His Newspaper

The advertisers are not always the first to capitalize on news events in which their products are employed. Sometimes an alert advertising manager or salesman of a publication reminds them of an overlooked opportunity. Morris A. Penter, advertising director of the San Diego Union and Evening Tribune, noticed one day a news item which mentioned that Rear-Admiral Byrd and his companions in Antarctica were drinking tea to help them celebrate the New Year. Mr. Penter wired Thomas J. Lipton, Inc., Hoboken, New Jersey, calling the incident to its attention, and the company immediately sent back a piece of advertising copy to emphasize it.

When Captain Hawks flew from Los Angeles to New York some time ago, the newspapers were given a piece of gasoline copy for release on his arrival. When the AP wire announcing it came through, Mr. Penter noticed the fact that Captain Hawks asked first for a cigarette. Mr. Penter relayed this message to George W. Hill, president of the American Tobacco Company, asking him if it were a Lucky Strike. It was—and if it had not been for an agreement Captain Hawks had with an oil company, the *Union* and *Tribune* would have had a national advertisement of the subject.

#### Stockings Over the Tariff

Let other nations go on building up tariff walls. American manufacturers will find ways to leap over them.

A few months ago the Commonwealth of Australia put into effect a protective tariff of \$12.20 a dozen on silk hosiery. The other day Julius Kayser & Company, New York, which ships about 60 per cent of the women's full-fashioned hosiery imported there, met it with a decision to build immediately at Melbourne a plant with a capacity of 100,000 dozens annually. Australian-operated and to some extent Australian-owned, the new factory will continue to send back profits.

-LAWRENCE M. HUGHES.

## Significant News

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- Newspaper headlines drew rather pessimistic conclusions from a statement by Prof. Irving Fisher this week concerning the debilitating effect on prices of diminishing gold supplies. As zealous proponent of an adjustable gold dollar the professor naturally seeks support for his ideas in every phase of the news. Prices have been sagging all over the world, the supply of gold is not increasing, gold is the basis of most of our monetary systems; ergo, deflation is in sight, if nothing is done about it. But there are many things the gold standard nations can do if need arises to avert unpleasant consequences of gold scarcity. Professor Fisher merely warns us to get on the job.
- • The United States Supreme Court has decided that International Shoe did not violate the Clayton Act by its purchase of W. H. McElwain Shoe. The Federal Trade Commission's view that competition was illegally suppressed was upheld by Justice Stone in a minority opinion on the ground that the court should not reverse the commission's order on a question of fact.
- • Chevrolet has reduced prices of its cars about \$30, bringing its base price to \$495 compared with \$525 in 1929. Last year, after the Ford cut, the difference between base prices of Ford and Chevrolet was \$65. This year it is \$55. Auburn has also made slight reductions, but most of the other high-price car makers are still marking up their price schedules.
- Prognoses of the automobile industry for 1930 call attention to the fact, often overlooked, that 55 per cent of motor vehicles are sold in towns of this country having less than 10,000 population—that is, in farming communities. These communities are relatively well off, crop values in 1929 having been considerably higher than in 1928. In other words, the automobile market for 1930 starts with very good prospects among a majority of car buyers.
- Five-cent cigars seem to be leading the cigar industry out of the slump into which it was thrown by popular preference for the cigarette. Output of them in the first eleven months of 1929 was 8.15 per cent greater than in the same period of 1928, reaching 3,358,000,000, whereas all the dearer cigars fell off 5.2 per cent —from 2,937,000,000 to 2,783,000,000. Duke's vision of what the machine might do for cigars may be realized by the five-center.
- • The New Hampshire Supreme Court held this week that the proposal to curb chains by taxing local investment in retail business on the basis of ten times sales volume lacks constitutional warrant. No such objection was found to a sales tax, as in Pennsylvania.
- • The wide appeal of branded package goods is illustrated by a note from a Department of Commerce agent in Johannesburg, who finds South Africans beginning to show so marked a preference for them that retailers are now encouraging imports of this character and advertising them among consumers. Once a product

becomes popular in South Africa it has a secure and permanent market.

- • The Census Bureau thinks our population reached 122,000,000 in 1930, while the National Bureau of Economic Research put the figure for 1928 at 119,000,000. The exact number will not be known until the official count to be made this year is published. The 1920 Census found 105,710,620. An increase of 16,000,000, 13.8 per cent, in the decade is what might be expected from the current excess of births over deaths and our rationed immigration.
- • But the Census will tell us a lot more than how many of us there are. To businessmen its story should be particularly interesting, for among the facts to be disclosed for the first time will be data on the number of radio sets used in this country and the value of homes owned or the amount of rent paid for premises occupied. We shall thus get a definite line on the size of the radio audience and a good deal of light on buying power.
- • More homes, farm buildings and highways in 1930 are expected by building material men to offset slight declines in commercial and public buildings, according to reports the Universal Portland Cement Company has received from 1,100 dealers in the middle west.
- Dividend declarations of American corporations in the first eleven months of 1929 amounted to \$3,929,516,559, exceeding by \$897,000,000 those of the same period in 1928, says the National City (New York) Bank January circular. A thirty-year study of business profits finds that from 1900 to 1929 the average increase was 5.3 per cent, whereas profits in 1929 were 36 per cent higher than in 1925. These figures are based on returns from large, progressive companies, but the trend to rising industrial earnings is unmistakable.
- • There are now only 1,200 buying headquarters for more than half the grocery trade of the country according to V. H. Pelz of the American Institute of Food Distribution. They represent the big chain systems and the voluntary chain associations. Before the war buying headquarters for any such part of the grocery trade were counted by scores of thousands.
- • Car loadings continue the decline over last year's, which began early in October. The loss from October 5 to December 28 was 457,000 cars, 3 per cent. But the unfavorable inferences which have been drawn from this record are scarcely warranted by a longer retrospect. In the first nine months of 1928 car loadings fell off 2.3 per cent compared with 1927, yet business was much better in 1928 than in 1927. The upward movement in railroad freight volume was not noticeable till September, 1928, and it went on unchecked till last October. In the first nine months of this year the gain was 4.2 per cent. Total loadings for the year were 52,790,000 cars, a gain over 1928 of 4.3 per cent. Advance estimates by shippers tell of a slight increase for the current quarter.



## How We Forecast and Plan Sales Six Months in Advance

BY AN EASTERN SALES MANAGER

NSTEAD of setting an arbitrary production schedule, then trying to force sales to take care of production, our company has developed a plan whereby we literally build a sales budget twice a year, right from the raw materials of sales. The plan has been in operation since the first of 1928 and has proved as stimulating as it is dependable.

What might be termed the production of parts of this sales budget is directed by five field representatives, working in conjunction with our branch managers. The finished parts are shipped to our main plant, where they are inspected by officials of the company, then assembled by the budget department. The completed prod-

uct is an exceptionally comprehensive sales and expense budget for the following six months. It is carefully checked three times each month during this period, but so far it has never been found necessary to make any major adjustments.

As an example of just how dependable the plan is at the end of the fifth month of the current six months' period we were within one-half of one per cent of the budget on one product, while sales of another had taken an unexpected spurt and were running 3 per cent ahead of our estimate.

In laying out our plan we divided the country into five districts and placed a field representative in charge of each. The districts were arranged geographically, but in outlining them an effort was made to assign each representative a territory in which general conditions are quite similar throughout. Thus one representative might be able to take care of a little more territory than he has, but no more is given him, because there is no contiguous territory where conditions are quite the same as those which obtain in his district.

The five field representatives are all men who, with the company for years, have had experience as salesmen and as branch managers. They are home office men, but they spend about 99 per cent of their time out in the field. Nevertheless, they keep in close touch with the head of the sales department

and are considered his personal representatives.

These field representatives contact with every branch manager in their district twice a year for the purpose of preparing a sales and expense budget for the following six months' period. Then they contact with them at frequent intervals thereafter for the purpose of helping carry out the program.

The field representative has a complete analysis of the performance of each branch during the corresponding period of the preceding year and he is, of course, intimately familiar with this record before he goes to a branch manager to help make up a budget, but he makes no use whatever of this analysis until the new budget has been completed. The aim is to build a sales and expense budget by carefully weighing and properly evaluating every factor that enters into it, without being influenced in any way by past performance.

#### **Building Sales Program**

Starting with a blank work sheet, the field representative and the branch manager discuss each detail and build their program step by step. Each salesman is listed and discussed and a quota is prepared for him. This quota indicates the number of calls, demonstrations and trials he is expected to make each month and the results, both in units and in dollars and cents, he is expected to accomplish.

Employes of the branch are also listed and discussed and their salaries are entered in the expense budget. Other items of expense are taken up in the same way. It may be that one branch is paying more for rent than is considered advisable or that another is running a very high telephone bill or postage bill or is spending too much, in proportion to sales, for non-selling help. The field representative knows what percentage of sales can be allowed for rent, non-selling help, and other items and is prepared to catch such overages at a glance.

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Each branch employs both city and country salesmen; that is, salesmen who work the city where the branch is located and salesmen who work smaller towns. In the latter case, the branch manager maps out a schedule of just where salesmen shall work from day to day and what they are expected to do there.

For example, the branch is located in Bigtown and includes numerous small cities and towns in its territory. The field representative and the branch manager discuss what is to be done in each of these cities and towns and the

conversation proceeds something like

"How about Littletown—are you going to work it this period?"

"Yes, I'll send Jones down there for a couple of days."

"What days will Jones work Littletown?"

"He'll work there September 15 and 16."

"How many calls will he make there?"

"Twenty."

"How many demonstrations?"

"Fourteen

'How many machines will he leave on trial?'

"Nine."

"How many sales will he close?"

"Five."

#### Schedule for Salesmen

And so the discussion goes until each country salesman's activities for the period have been planned in detail. It is known which towns he will work, how many days he will spend in each, the exact dates he will be there, and exactly what results he is expected to secure. As a matter of fact, the field representative doesn't record the dates, but the branch manager does, and the representative records the essential details concerning the sales activities planned for that point. The branch manager does not necessarily send Jones to Littetown on September 15 and 16, either—his schedule is as flexible as necessary to meet unforeseen circumstances—but he does work Littletown during the period and he usually follows his schedule closely.

If, in planning the sales activities for the period, need of another salesman is found, another is placed on the schedule and a program is mapped out for him, showing where he will work, what he will do, what he should accomplish, and what he will be paid. Additions to the non-selling staff are made in the same way.

In addition to operating factory branches and sales agencies, we have nearly 2,000 dealers, and a similar budget is prepared for each dealer, with the exception that the dealer is not required to detail the anticipated activities of each of his salesmen.

It is our intention to have a dealer in every town of 2,500 or over. Dealers in these towns are served by the branch in their territory and dealer quotas, therefore, are a part of the branch quotas.

The field representative and the branch manager consider each such town in the territory. If we already have a dealer in a given town, they analyze his past performance and set a quota, by units and dollars, for him

for the following period. If we have no dealer at that point, they list prospective dealers there in the order of preference, decide whether or not to appoint a dealer there during the coming period, and if so, when to appoint him and what results he should obtain during the period.

At the conclusion of this phase of the task it is known in what towns dealers are to be appointed, who will be offered the dealership in each town, the month in which the appointment will be made, and what the new dealer should accomplish during the remainder of the period.

The performance of each dealer is also analyzed, quotas are set, and, of course, some dealer changes are made.

An expense budget for the branch is then made up in detail, with all employes and their salaries listed and with fixed expenses broken down and itemized.

Having thus built a sales and expense budget in complete detail and without reference to past performance, they then compare the result with the record of the corresponding six months' period of the preceding year. It is important to note that the comparison is made with the record of the corresponding period of the previous year and not with the previous period. The budget is also broken down into monthly schedules, thus taking care of seasonal variations.

#### Accounting for Changes

Contemplated changes in plans, introduction of new models, and other factors that will influence the results are considered and due allowance is made for them.

The field representative and the branch manager thus prepare the budget together. It is really the branch manager's own budget, at least until the time for making adjustments is reached. The representative doesn't tell him what he thinks he should do; he asks him, instead, what he expects to do.

Our aim is to prepare a practical, workable budget that can be carried out in detail. As a matter of fact, the final budget for a branch is often lower than the manager would have set for himself if he had merely been asked to set a quota. His tendency would be to think, "Well, I did so much last year—I ought to show a gain of 10 per cent this year," or perhaps even more, and that would be his quota.

Perhaps he should do 50 per cent more this year, and again perhaps he will do well to break even. Whatever the outlook, we want him to prepare a workable budget that he can follow. We want him to get as much business as possible, but we don't want him to set an unattainable quota and then become discouraged because he realizes he can't make it. Above all, we don't want him to rush us into overproduction because he is unwarrantably optimistic.

The completed program is forwarded to the home office, where it is reviewed by officials and usually accepted as it is, because it has been very carefully prepared by a capable representative of the sales department in collaboration with the branch manager after a thorough survey of all known circumstances.

The entire sales and expense budget is then typed on a sheet prepared for the purpose, signed by an official, and a copy sent the branch manager for his guidance. The sheet provides blank spaces for entering actual results opposite the estimates.

During the period the budget is in operation, various reports which come in from a branch are consolidated and made up into a statement which is sent to the branch manager and from this he readily fills in his "actual" columns.

When budgets from all branches have been approved the complete program is totaled on a single sheet and copies are furnished the several departments concerned, whereupon each department makes its plans accordingly.

As a result, the production, sales, financial and other departments all have exactly the same schedule and they follow it unless an official change is made, a thing which to date has never been done.

Telegraphic reports are received from all branches three times a month,

keeping the home office apprised of sales by models, the number of machines out on trial, and other essential information, and thus affording a check on the actual as compared with the anticipated performance. The budget is so carefully prepared, however that there is seldom much difference.

After the new budget goes into effect, field representatives keep in close touch with their branch managers to help them carry it out. They are familiar with the history and performance of each dealer and salesman and are prepared to locate any weakness or fault and to help the manager correct it, while they also pass along plans and ideas and lend any other assistance that may be needed. Their work has proved so helpful in this respect that we have thought of increasing the number of such field men.

## Sales Statistics Cause Supreme Court to Approve International Shoe's Merger

ERGERS of companies which manufacture similar goods are legal when the products differ as to quality and appeal and do not enter into direct competition. Also, when the financial condition of the company purchased is such as to indicate that its sale is not for the purpose of suppressing competition, the fact may be considered as tending to establish the legality of the transaction. These conclusions are from the opinion of the U. S. Supreme Court, handed down last Monday, in the case of the International Shoe Company against the Federal Trade Commission.

In delivering the opinion of the court Mr. Justice Sutherland explained that the case was a proceeding instituted by the Commission against the International Shoe Company, charging a violation of section 7 of the Clayton Act, which provides that no corporation engaged in commerce shall acquire the stock or other share capital of another, where such acquisition may be to substantially lessen competition or to restrain commerce in any section or community, or tend to create a monopoly.

The Commission charged that in May, 1921, the International Shoe Company acquired all or substantially all of the capital stock of the W. H. McElwain Company and still owns and controls the same. The complaint also held that the acquisition was to substantially lessen competition be-

tween the two companies, to restrain commerce in the shoe business and to tend to create a monopoly in interstate commerce.

After putting aside the last-named charge, the Supreme Court considered the evidence produced by the Commission and commented on the fact that the International company had been ordered to divest itself of all capital stock of the other company, and to cease and desist from the ownership, operation, management and control of all of the acquired assets. Upon appeal of the International company to the court below the order of the Commission was affirmed.

The opinion then states that the principal grounds upon which the order is assailed are (1) that there never was substantial competition between the two corporations, and therefore no foundation for the charge of lessening of competition; and (2) that at the time of the acquisition the financial condition of the McElwain Company was such as to necessitate liquidation or sale, and therefore the prospect for future competition or restraint was entirely eliminated.

The court, in discussing the products of the two companies, said that the International made and sold a line of men's dress shoes of various styles, which, although comparable in price, and in some degree in quality, with the dress shoes produced by McElwain, differed from them in important

particulars, and added: "Such competition as there was between the two companies related alone to men's dress shoes."

It is true, the opinion states, that both companies were engaged in selling dress shoes to customers for resale within the limits of several of the same states; but that the markets reached by the companies, with slight exceptions, were not the same. The court also found that the trade policies of the companies so differed that the McElwain Company generally secured the trade of wholesalers and large retailers, while the International obtained the trade of dealers in small communities.

The opinion also comments on the fact that witnesses estimated that about 95 per cent of the McElwain sales were in towns and cities having a population of 10,000 or more; while about 95 per cent of the International sales were in towns of 6,000 or less. Also, the bulk of the business of the companies was in different sections of the country. An analysis of the sales of the International for twelve months preceding the acquisition of the Mc-Elwain stock disclosed that in fortytwo states no dress shoes were sold to customers of McElwain, and that in the remaining six states a total of only fifty-two and five-twelfths dozen pairs of such shoes had been sold to sixteen retailers and three wholesalers who were also customers of McElwain.

(Continued on page 80)

# Straight Facts about the Grocery Warehousing Plan

THE centralized warehousing plan provided for our members is simplified by considering present warehousing conditions. Hand-to-mouth buying has compelled practically all members of the association to increase both the number and the size of their warehoused stocks. At every large distributing point these stocks are scattered about in various warehouses. As a typical example I have in mind a certain city where the stocks of our members are stored in fifteen different warehouses in as many different parts of the town.

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It is obvious that manufacturers have warehoused these stocks for the purpose of aiding their distribution by making it as convenient and economical as possible for distributors to secure the merchandise they want. But the system has developed on a basis of the manufacturers' individual preferences. Until recently there has been no cooperation in warehousing between manufacturers themselves, nor between the manufacturer and the wholesaler. As a result a movement that started as a convenient and economical element of distribution has finally developed inconveniences and unnecessary expense.

This fact may be illustrated by considering the problem of a wholesaler in the city just mentioned who may happen to need goods from the fifteen warehouses. He must send a truck to fifteen different parts of the town, through traffic jams and with many delays; or, if he happens to be in a hurry for the goods, he must send out fifteen trucks to get them in the quickest possible time. Should he want to pick up four or five items to complete an order or to make a delivery direct from the manufacturers' stocks, it is likely that the extra cost and delay would absorb a large part or all of the profit on the order.

For the last four or five years grocery manufacturers have realized that something must be done eventually about the warehouse problem. From time to time distributors and economists have called our attention to the condition and have suggested that savings of time and money could be made by centralizing warehoused



George D. Olds, Jr.

BY GEORGE D. OLDS, JR.

President, Associated Grocery Manufacturers of America, Inc.,

New York City

So much interest has been manifested in the new ware-housing plan initiated by the Associated Grocery Manufacturers, and so many half-right rumors have been circulated about it, that Sales Management went straight to headquarters for this statement. Mr. Olds tells what the plan is, and, just as important, what it is not.

stocks. But it was one of those indefinite problems and its solution was postponed for three reasons. We were very busy in solving our individual distribution problems, we did not have a trustworthy indication on the extent of preventable waste, and we had no facts with which to overcome the seemingly natural resistance to cooperative effort.

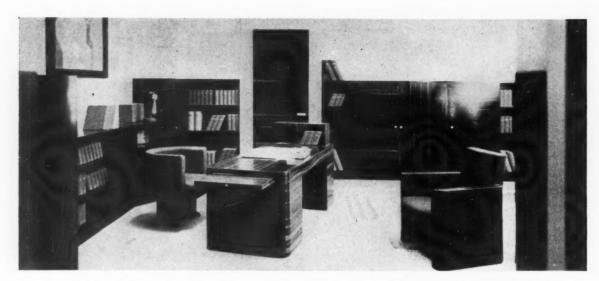
Early in 1929, however, one of our members, a company that had merged a number of important specialties, disclosed some of the results procured by centralizing the warehoused stocks of the goods it controls. This company not only demonstrated that centralization had reduced its own distribution costs, but also that its plan had proved to be a money-saving convenience to its distributors. When the facts were made known to the association practically all members realized that it was necessary to get together on the problem and do our utmost to solve it promptly.

It should be stated that there will be no attempt on the part of the association or any group of its membership to own or operate warehouse facilities at any distribution point. Our purpose is to encourage local railroad terminal managements and warehouse operators to provide warehousing capacity constructed according to the requirements of the grocery industry, and at the most convenient

Shortly after we announced a committee to work out the plan one of the largest railroads in the country offered to build for us at its principal terminal a model warehouse similar to the produce terminals in many cities. Since then several other railroads, a number of warehouse companies and others have made similar offers, and so many applications have reached us that it will require several weeks to give them the consideration they deserve. We are gathering facts on which to base a determination of location in every instance as well as the best plans and other factors.

In addition to warehousing space, the warehouses may provide office space for manufacturers' representatives and garages for salesmen's cars. The plan contemplates the establishment of a headquarters of distribution in each case.

In our study of various cities we have found that some have con(Continued on page 88)

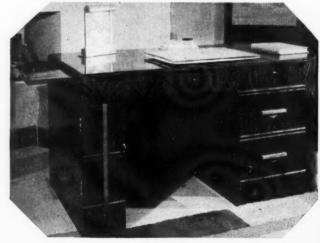


A Paris business man has chosen Macassar ebony for the furnishings of his modern office. The walls are finished in squares of parchment. The office was designed by Joubert and Petit.

## Sales Management Gallery



Photos by Bonney



Directors meeting in this modern room, with its mahogany and blackwood furnishings, upholstered in red leather, have desk space provided for them in the table top, which lifts before each chair, revealing space for papers. Designed by Joubert and Petit. This desk, designed by Andre Starck, is of Canadian bouleau, finished with silver trim. The desk lamp is engraved glass, set in a silver frame.

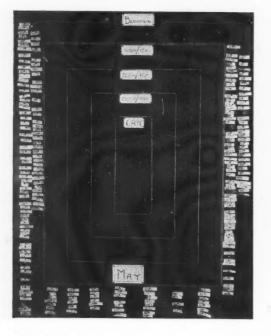


Shelves and cupboards in the desk instead of drawers, furniture of exotic wood, known as "epis de ble," walls finished in graded tones of red felt composition—these are a few of the departures in the modern office.

The new dynamic art is fast making its mark in the commercial world. It first won a place in advertising and is now an accepted mode of expression. Packages soon were designed to fit the modern mood. And now the business man is finding modern furniture an appropriate furnishing for his offices. This group of offices was designed for Continental business men.

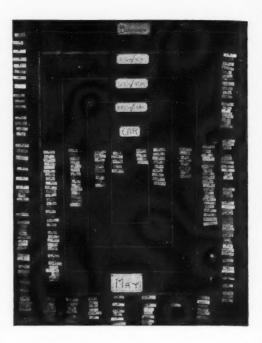


Canadian birch lends a massive dignity to this office, designed by Michel Dufet, relieved somewhat by a mural in orange, blue and white tones. A white opaque glass lamp trimmed with silver, by La Croix, provides the executive with desk light.



Left—The Bull's-eye Score Board ready to function as it appeared on May 1. Note that customers are all "on the margin," alphabetically arranged.

Right—At the end of May, the score board shows clearly just who have placed orders, for how much, and, more important, those who haven't bought!



## This Score Board Flashes an Up-to-the-Minute Report on Sales

ATURALLY, we have complete sales files, but due to the mechanics of posting orders, delays in arrival of order copies from other branches, necessity of assembling and classifying different types of orders to be posted on each customer's card, it often was the tenth of one month before we had an analysis of the previous month's business.

In groping about for some method of keeping a constant visual record of orders as received, the plan illustrated and described here was hit upon. We bought a dozen full-sized pieces of Celotex. Each piece was sawed in two, making twenty-four pieces, a board for each salesman. These were nailed up around the sales office. At the top of each board we pinned a card giving the name of the salesman. At the bottom of each board was pinned a small card showing the month.

Then, with plain white twine and small push tacks, we divided each board into a cubic target, with a rectangular bull's-eye in the center, and other zones extending out from this. (See illustration.) Each section was labeled, the bull's-eye being for carload orders, and each successive outlying zone for smaller orders.

Names of customers called on by each salesman were typed on small slips of cardboard, which were pinned in approximate alphabetical order

#### BY BLAISDELL GATES

Sales Manager, Nachman Spring-Filled Corporation, Chicago.

along the margin of the Celotex board.

All this was done the first day of a month. The board was then ready to operate for that month.

The young lady in charge of tabulating orders operates the score boards. Each morning she gets a handful of orders, those written up the day before. Her first task is to move customer cards into proper zones. As she does so, she makes light pencil notation on each card showing the amount of the order.

This notation is important, since if, later in the month, the same customer orders again it is only necessary to erase the first notation and put down the total of the two orders, and probably move the card a zone or two nearer the bull's-eye.

This takes about half an hour each morning. When executives arrive, the score boards show exactly the status of business for the month.

Look at the illustration above, showing one board as it appeared on May 29. Here is Salesman Bernstein. At a glance, you see he's written (or his territory has yielded) nine carload orders, nineteen orders for 1,000 or more units, etc. Bernstein, evidently, is having a good month.

The idea of the boards was to give the sales manager a quick answer when the president asked quick questions. Actually the president stopped asking questions. Instead he made a habit, as we all do, of studying the boards every day or two.

At a glance one can see just what customers have ordered, and how much. Also (and this is very important), we can see at a glance just which customers have not ordered.

This last feature works like a particularly acute conscience. A salesman in the office is constantly reminded, by cards still in the margin, of accounts that haven't given him business during the current month. The sales manager and his assistants also refer to the chart regularly, dropping a brief letter now and then to certain customers who are still "on the margin," but who ought to be ordering.

It is surprising how many orders a gentle reminder letter brings in. Probably Bill Jenkins, a customer, has been too busy to check his stock. We see he's still "on the margin." We turn to the Ediphone. Three days later we get our order from Jenkins. Not always, of course, but often.

There's one more angle to this visual score board. When we started it, all cards were white. The second month, the names of all those that ordered were placed on blue cards and put back in the margin. The third

(Continued on page 88)

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# Your customer smokes his pipe in our office

H<sup>E</sup> uses our matches. He may even knock ashes onto our rug. He is a friend of ours, and through us you can meet him.

How much better off your interests are when you know your man personally. You may be seeking a hosiery distributor. Or you may be selling turbines. Whatever you sell, wherever in New York State you hope to sell it, some one of our two hundred executives can give you a close personal contact with the man you most want to meet.

When a portion of your company's funds are deposited in any Marine Midland bank you instantly become a customer of the entire group. All the advantages of our personal acquaintanceship, extending throughout New York State, are yours.

#### What the Marine Midland Group is

The Marine Midland comprises a group of 17 banks which have joined together for greater strength and for greater service to their 350,000 customers. The ownership of each of these 17 banks is controlled by Marine Midland Corporation which is a holding company, not an investment trust. This enables us to draw upon the experience and resources of one of the strongest financial groups in America. Yet we offer every local advantage that local officers and local directors can give.

## BANKS OF THE MARINE MIDLAND GROUP

Combined Resources over \$500,000,000

These New York State Banks now offer advantages of Marine Midland Membership:

 NIAGARA FALLS ... Niagara Falls Trust Company
NIAGARA FALLS ... Power City Bank
NORTH TONAWANDA ... State Trust Company
ROCHESTER ... Union Trust Company of Rochester
SNYDER ... Bank of Snyder
TONAWANDA ... First Trust Company
TROY ... ... Manufacturers National Bank of Troy

## Wanted: Better Legal Protection for Manufacturers' Designs

York boasts that within seven days he can produce any textile in quantity, copying exactly or cleverly adapting any design of legitimate manufacturers. boast is not an idle one, for he does a whale of a business through theft of designs for which others have paid thousands of dollars.

Such is an example of the hardships of legitimate manufacturers Cheney Brothers, Stehli or Belding Heminway, just to mention three. Is there no redress for such design piracy? Not with the present laws of

copyright, unfortunately.

#### Pirating Dress Designs

Copying or cleverly adapting another manufacturer's designs is not limited to the textile field. The garment industry suffers even more. A stylist of a New York department store told the writer how piracy even enters into the relations of buyer and seller. This stylist, whose reputation for leading the vogue is a cherished one, explained that she went to a manufacturer with a new dress design for the sun-tan vogue. Dresses were made up on the promise that this design would not be used by the manufacturer for any other department store. They were immediately popular with the public so the manufacturer added a bow in back and sold thousands of the same dresses to the other stores who were clamoring to get some of the cream of the stylist's idea.

In France, too, the Paris couturiers have their troubles with design piracy. While there is a French law protecting design, the copyists nevertheless flourish. The couturiers continually maintain legal forces to prosecute the more flagrant of the copyists. This is expensive and not always effective when the case finally comes to an issue.

In Germany the artist and manufacturer are better protected. There the laws protecting design have sharper teeth and the copyists have difficulties in plying their trade. The strength of the German laws lies in the cooperation legitimate artist associations give the plaintiff in prosecuting an of-

As conditions stand now in this country the only real protection a legitimate manufacturer has lies in the BY FRED SUHR

speed with which he can market his new designs. If his sales force and advertising activities are properly coordinated, he can get the new product so intrenched in the market that the copyist must take the leavings.

This process is expensive, however. In order to make the buying public aware of the identity of the originator of any design, the manufacturer must splurge in his advertising and be intense in his selling. If his design does not 'click' with the public he has only spent his money for the funeral of a design. Were it not for the evils of piracy, the manufacturer could introduce his new designs gradually and let the public's acceptance naturally determine sales and advertising em-

phasis on the popular designs.

That a law in Germany is partially successful in protecting the artist and manufacturer points the moral of design protection in this country. Certainly, if legitimate manufacture is to be rewarded for its pioneering efforts, design must be legally protected. Protection of inventions and artist creations coming under the copyright laws clearly indicates the value of this guarantee to the inventor in the large mechanical developments in this country.

#### Copyrights for Designs

What such a law protecting design would cover and how it might operate may be gathered from the following synopsis of a bill introduced in February, 1924, in the Senate by Senator Arthur Capper and March, 1924, by Congressman Vestal in the House of Representatives. This bill was referred to the Committee on Patents and has rested there since. Whatever the reasons for the shelving of the bill, its proposals seem sound and its revival would be welcome to those businesses where design is an important feature of the product.

This bill (S2601 and (H.R.7539) proposes "that the author of any design which is new and original as embodied in or applied to any manufactured product of an art or trade, or the author of any new and original surface so applied or the assignee of such author, may secure copyright thereon upon the registration of such design in the copyright office of the United States and upon obtaining from the register of copyrights a certificate

of such registration.'

The bill further defines a design as a pattern, shape, form, ornamentation or decoration that serves no functional or mechanical part of the product. This definition differentiates design from the scope of the existing patent law. It is further established that the proposed registration deprive no person of any otherwise lawful right to illustrate fashions by pictorial reproductions or to make and sell patterns for dressmaking.

#### Two-Year Registration

The registration, according to the plan, is for a two-year period with an option on extending the protection for eighteen years, making a total of twenty years' protection.

Classes registerable under this bill

1. Machines and machine parts not otherwise classified.

2. Stoves, ranges, heating apparatus and parts thereof.

3. Vehicles and vehicle parts. 4. Textiles, print cloths, laces, nets, veilings, and trimmings or ornamentations of corresponding material or character for apparel, drapings, hangings, furniture mats, and coverings other than those in Class 5.

5. Floor and wall coverings other

than in Class 4.

6. Furniture of all kinds.

7. Type faces, electrotypes, borders, ornaments, dies, and cuts of all kinds intended for printing, lithographing, or other use in the graphic arts.

8. Clocks, jewelry, decorative art goods, including vases, bric-a-brac bronzes, silverware, tableware, and glassware not otherwise classified.

9. Lamps and lighting fixtures, globes, shades, plumbing fixtures, bathroom fixtures, builder's hardware, and trimmings.

10. Packages, bottles, jars and other

11. Pictorial and advertising novelties, games and dolls.

12. Surface designs.

13. Apparel including boots and shoes, hats, caps and other articles of clothing.

14. Buttons, buckles, clasps and (Continued on page 89)



# Coaxing Folks to Fly

BY STANLEY E. KNAUSS

Vice-President and General Manager, Stout Air Services, Inc. Detroit, Michigan

NE year ago the typical airline passenger might have been characterized as the man who carries a cane; today it would be more correct to characterize him as the one who carries a sample

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The change is a perfectly logical and desirable one, yet it did not take place unaided and alone. We realized that in order to build permanently for the future the novelty appeal of our business must be replaced by that of utility, and we took definite steps to bring about the change.

A year ago many who traveled by air, perhaps a majority, did so chiefly for the sake of the novel experience. Among them were some who traveled on business and who realized the numerous advantages of taking the air route, but whose expense accounts would not permit of their employing this form of transportation regularly. They would fly once, even if they had to bear part of the expense themselves,

but they could not be depended upon as regular passengers.

Cost was the major consideration. We realized, therefore, that if we could bring down our rates to a point where, all things considered, they would be on a competitive basis with other modes of travel many who had not done so previously would make their business trips frequently or regularly over our lines.

Getting a larger volume is one of the best ways to reduce prices, of course, and as every reader of this magazine knows, the one best way to get a larger volume is to do some real selling. If one has the confidence and the courage to reduce prices first, the selling is made much easier.

We did reduce prices and we did go out to do some real selling. As a direct result the number of passengers carried on the Detroit-Cleveland line, where the test was first made, was more than 300 per cent greater in August than in June.

Stanley E. Knauss

We began by circularizing industrial concerns in Detroit and Cleveland whose representatives are known to travel regularly or frequently between the two points, then following up the direct-mail with personal calls.

We got down to facts and figures with them. Thus, some companies allow representatives to drive through on six cents a mile. It takes about eight hours to make the trip by auto. Our fare between the two cities is about 10½ cents a mile and we make the trip in one hour and twenty-five minutes, saving some six and a-half hours. If the representative's time is worth as much as two dollars an hour, this represents a saving of \$13 in time. It would be far cheaper, therefore, for the representative to make the trip by air, then rent a car to use while in the city. Many salesmen and business men are doing that;

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among them, some of our own representatives.

The railroad fare is \$5.93 and that is the figure the company official thinks of when he compares the cost of traveling by air with that by rail. But we point out to him a few additional facts. His representative usually will take a chair on a fast train and that adds \$1.18 more. He will take a taxi to and from the station, which means at least another dollar. There will probably be an additional item of 50 cents or more for handling baggage. Then on all except one train, it is almost necessary to have a meal on the way, which means \$1.50 or so. The chances are, then, that instead of an expense account of \$5.93, his representative will turn in one for over \$10.

The fare on our line is \$14, but that includes everything. There is no extra charge for a comfortable chair, no taxi fare, no baggage handling fee, no tips are allowed, and there is no need of a meal on the way. We save three hours of his time, which, at \$2 an hour, amounts to \$6. Therefore, if time means anything to him, it is actually cheaper to travel by air.

#### Chicago-New York Trip

In soliciting the patronage of those who travel from Chicago to New York, we point out that they can spend three hours in Chicago after the Twentieth Century Limited leaves, then take the air-rail route and beat it to New York. The fare on the century is \$51.30, whereas that by airrail is only \$57.60. The Michigan Central cooperates with us in this by holding two lower berths for us every day until we know whether we shall have through passengers for the trip. We found that automobile dealers

We found that automobile dealers in other cities were accustomed to send drivers to Detroit to conduct "drive-aways"; to drive new cars across country from the factory instead of shipping them. It formerly was necessary for these men to come to Detroit the day before and stay at a hotel that night, or else take a berth on a night train, which was even more expensive. We pointed out that by sending these men to Detroit on our early morning plane, they could make the round trip in one day and at even less expense to the dealer, considering the saving in wages of the men. Now many dealers are using our lines regularly in this way.

One of the best examples of time saving in sales work is that furnished by the representative of a Boston paper concern. This man tells us that he now makes in three days a trip which formerly took him a full week.

He now takes a night train to Buffalo, makes his calls there the next morning, hops right across the lake to Toronto, makes his calls there, and catches a late afternoon plane to Detroit, where he has a dinner engagement with a customer. He makes his other Detroit calls the next morning, then hops over to Chicago for lunch with another customer. He works Chicago that afternoon and the next day till plane time, then starts back via the air-rail route and arrives in Boston the following morning.

Most of our promotional work is directed to the traffic managers of industrial companies, as we find that they are the ones who plan the routes and make the reservations for the traveling representatives of the company. Many of these men now route their own representatives over our lines regularly and are also instrumental in educating others to travel by plane.

When we inaugurated our Detroit-Chicago service we circularized Chicago traffic managers and the response has been very gratifying. One of these on receiving our letter called us up the next morning to ask for some further information and on receiving it said he would give us some business. He has since made five or six reservations every week.

In addition to circularizing traffic managers about once a month and calling on the larger concerns from time to time, we do a great deal of other promotional work, all of which has its weight.

#### Distributing Circulars

For one thing, we place our circulars and time-tables in clubs, banks, brokerage houses, lobbies of industrial plants, restaurants, doctors' and dentists' offices, and even the better barber shops and shoe-shining parlors. These circulars and time tables contain much definite information of a kind which one wants right at the moment, without having to call up the airport and make a note on a scrap of paper. Not only so, but their very presence serves to suggest air travel to many who perhaps would not think of it or might be ignorant of the facilities. A neat, imitation wood container holds about 100 circulars and occupies only a few square inches of room. We employ service men to keep them filled.

We employ hotel porters, hotel clerks and travel bureaus to sell tickets for us.

We also use a great deal of personalized direct-mail. In many cases the board of commerce has spent considerable time and money in making up an aeronautical survey, showing who is interested in air travel and to what cities. We are members of these boards and usually have the privilege of using the lists, which are especially valuable, as they represent the livest kind of prospects.

We also register all our passengers and use the resulting list to good purpose. Soon after one has made a trip on one of our lines he receives a letter expressing appreciation of his patronage, hoping that he found the trip very enjoyable, and inviting him to send in the names and addresses of friends who could use the air line. Spaces for such entries are provided at the bottom of the letter.

On receipt of such names we send them a letter and some literature calculated to arouse their interest. One of the letters we use also arouses their curiosity as to how we got their name.

Announcements of new services are sent by letter to all who have ever used our lines.

#### Interesting Hotel Guests

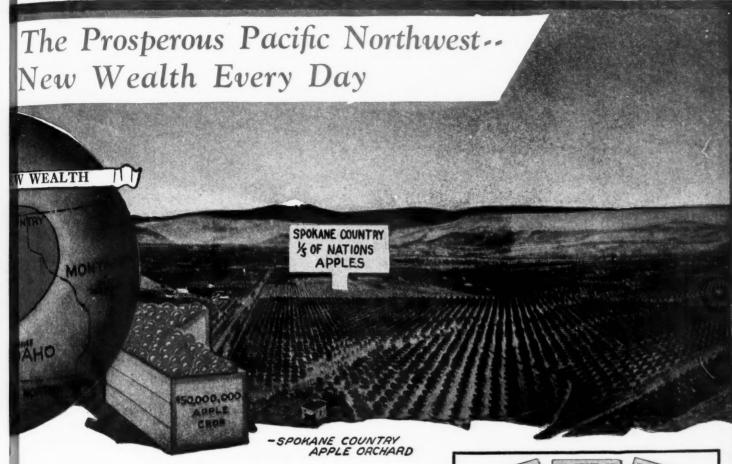
Another mailing list which is rather unique and highly effective is secured from the hotels in our terminal cities. The hotels cooperate with us in securing the names of guests from other cities on our lines, and a girl fills in a form letter, addresses it to them by name and room number, and deposits it in their box at the hotel. This letter opens with, "Do you realize how pleasurable your homeward journey can be?" then tells him how nice it would be to fly back and suggests that he call at the hotel desk for literature, information and reservations.

Several different form letters are used to make them appear personal to those from different cities and to take advantage of certain conditions. Thus, to those who stay over until Saturday there is a letter which opens with: "If you will be able to start for home on Saturday at 3:30 p. m., your journey will be most pleasurable, for a Ford tri-motored plane will be waiting to carry you. . . ."

Conventions afford us an excellent opportunity for constructive promotional work. We are members of convention bureaus of our terminal cities and so know what conventions are to be held in each city and on what dates.

Shortly before a convention is to be held in one of these cities we address a letter to the convention chairman, telling him that we are desirous of knowing who will attend the convention from other cities on our lines, and suggesting that we may be able to cooperate with the association to its advantage. If he does not know just

(Continued on page 87)



#### With 586,000 Consumers

32 States — Prosperous — Spending Freely

farms and orchards alone produced over \$280,000,000, including over 1-10th of the nation's wheat and 1-5th of its commercial apples. Aside from this, Spokane Country mining conditions are the best for many years—production for 1929 was over \$70,000,000; while the Spokane Country lumber mills shipped over \$50,000,000 worth of lumber—altogether for 1929, the Spokane Country's new wealth production was over \$1,000,000 every day.

Sales and Advertising Executives Intensifying Efforts in Spokane Country: This is indicated by the fact that while Spokane's national newspaper lineage for 1928 showed the largest gain (569,000 lines) of any important Western city except Los Angeles, national lineage in THE SPOKESMAN-REVIEW and SPOKANE CHRONICLE for the first eleven months of this year shows a gain of 939,942 lines, or 23%, over 1928.

Truly an Exceptional Market, and Well Worth Winning Completely: A market with 101,735 urban families, which may be adequately covered only through the 93,000 (86% UNduplicated) combined circulation of THE SPOKESMAN-REVIEW and CHRONICLE. And now the associated rate (with three days' leeway) makes this excellent newspaper coverage of this exceptional market possible, with a saving of \$23.80 to \$71.40 per page, compared with former separate rates.



#### Cowles Publications

Through THE WASHINGTON FARMER, THE IDAHO FARMER and THE OREGON FARMER you reach 7 out of every 10 farm households in this favored section. One order, one rate, one medium. Send for special agricultural market surveys: Pacific Northwest Farm Trio—General Offices, Spokane, Washington.

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PRODUCTS-NO CHARGES!







wugh the Spokane Dailies and State Farm Weeklies—and This Market is Largely Yours"

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## Carnation Milk's Double Check-up Plan for Salesmen

HE Carnation Milk Products Company has a highly centralized sales organization. The United States sales staff is organized in such a way that we can cover the whole country, and by covering I mean visiting almost every retail grocery store, every ninety days or less.

The country is divided geographically into two great territories, each under the control of a sales manager, the headquarters of the Eastern division in Oconomowoc, Wisconsin, the Western division in Seattle, Washington. Under each sales manager are assistants who help him in the general supervision of his territory. The territories are divided into districts under the supervision of either a district representative or manager, or a merchandise broker, who acts in that capacity, all of whom are directly responsible to the sales manager.

As told to Hope M. Robinson

#### BY

#### HARRY L. ODEND'HAL

Sales Manager, Western Division, Carnation Milk Products Company, Seattle, Washington

The sales manager comes in frequent contact with the salesmen through his district managers, or representatives, and on special occasions when he visits the head offices of the districts. The number of times this occurs annually depends entirely upon conditions. We always cooperate with our district managers and meet with them and their sales forces several times a year. The district managers hold meetings with their salesmen as often as they find it necessary. Some of them meet once a week, once a month, or twice a

month, according to their own needs.

Our form of sales report has been evolved to suit a business built along these lines, and I can't think of anything now that would better them except the inclusion of a definite space for the name of the jobber through whom the goods are bought. I believe that a description of the reports might be of benefit to many manufacturers and distributors.

Every salesman is required to make a written report daily to the district managers and brokers, who approve them and forward the original copy to the head office, keeping a duplicate.

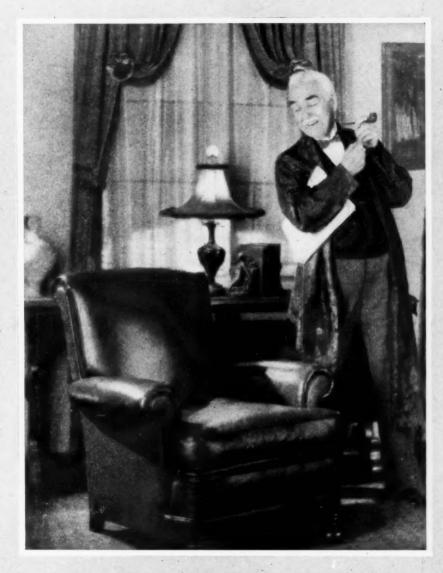
You will notice that across the top of the page we have every bit of information we need for putting our finger on the salesmen at any certain time or place. His name is first, then his district office (Seattle, Portland, San Francisco, Los Angeles, El Paso,

(Continued on page 86)

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#### PHOTOGRAPHS BUILD BUSINESS



Two booklets worth reading! "How to use Photographs in Your Business"—and "The 4000-Mile Lens" describing how to get distant photographs by wire through our unique service. For a free copy of both booklets, address Photographers' Association of America, 2258 Euclid Avenue, Cleveland, Ohio



"This is an actual photograph," Those five words under an illustration inspire more confidence than five volumes of adjectives. Use this phrase in all your advertising.

Your product costs more because it's worth more. Let the camera create convincing proof of quality. A buyer may question a salesman's word; but photographs always inspire faith. And faith moves merchandise. To make your personal selling and your printed selling more effective, turn to photographs. They build believability—and business.

PHOTOGRAPHS
TELL THE TRUTH

## Our Cost-Per-Call System for Working Industrial Prospects

HE Parker-Kalon Corporation, makers of patented self-tapping screws, finds itself with

so large and varied a potential market that its selling efforts must be closely selective, if sales are to be secured at a profit. Over six years of business activity, Parker-Kalon has secured both selectivity as to market and selec-

tivity as to the prospect.

The Parker-Kalon Corporation sells through jobbers exclusively with the exception of certain large users in the automotive trade. At 194 distribution points, Parker-Kalon distribution is controlled by over 600 jobbers, the number in the different territories depending upon the potential market. However, 15 per cent of the jobbers are responsible for about 75 per cent of the total volume of Parker-Kalon Selectivity is secured by business. having jobbers whose principal activity reaches the type of industry most likely to use Parker-Kalon products.

#### Protecting the Jobber

The Parker-Kalon Corporation provides a fair and workable margin of profit. In addition, it gives the jobbers complete price protection through an established price policy whereby all users are put on the same basis and under no circumstances is a user quoted a lower price than a Parker-Kalon jobber is in a position to offer. In other words, if an inquiry is received by the Parker-Kalon Corporation an established resale price is quoted the inquirer. It is at this price the jobbers are authorized to sell the products. This jobber protection goes a step further in that quotations made by the company are f.o.b., New York, whereas the jobber is permitted to quote f.o.b. his city, thus making it desirable for a user to purchase from a jobber in his locality.

A recent case of cooperation with a Philadelphia jobber shows clearly Parker-Kalon's policy of "live and let live." Through efforts of the sales manager, the Philco Radio Manufacturing Company has sold more than \$80,000 worth of Parker-Kalon products within a period of ten months. Since Parker-Kalon Corporation has a rule that a manufacturer, with the exception of certain auto accounts, can

BY CHARLES S. TROTT

Sales Manager, Parker-Kalon Corporation, New York



Charles S. Trott

purchase no cheaper direct from Parker-Kalon and must in addition pay the freight, the Parker-Kalon Corporation turned the Philco account over to the jobber in that territory giving the jobber the benefit of this business without his bearing the cost of secur-

Another reason jobbers and a salesman find it profitable to push the sale of the Parker-Kalon products is that these products are patented devices which serve as excellent items to gain admittance to manufacturing plants. Furthermore, repeat sales possibilities are such as to warrant the time and effort that the salesmen may devote to the introduction of the Parker-Kalon line.

In the past year, jobbers relations have been strengthened through the use of a missionary salesman who not only serves and inspires the jobber but also makes calls with the jobber's salesmen on their best prospects. The missionary salesman spends about nine months of the year continually contacting the more important jobbers, talking at sales meetings and devoting a day to making calls with each jobber salesman.

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Selling through the jobber, the Parker-Kalon Corporation is able to control the selectivity of prospect selling through four methods. First, the missionary salesman makes about 1,500 calls a year only on the jobber's best prospects, carefully culled by the jobber's salesmen. Second, through direct mail and business paper advertising inquiries, prospects automatically classify themselves. All requests for information and samples resulting from direct mail and business paper advertising are taken care of direct from the offices. The inquirer is referred for further follow-up to the one or more jobbers in the territory and the jobber's salesman is expected to report back results of his call or calls. Third, developments of the engineering staff suggest the use of the products by certain mass producers. In cases of this kind, special letters and calls by the sales manager and an engineering staff member serve to bring a large user into the Parker-Kalon fold of customers. thorough jobber salesman education shows these men how to use the Parker-Kalon products as sales leaders in developing not only new business but as an opening wedge for the jobbing house on other products they carry.

#### Cannot Estimate the Market

Because of the peculiar nature of the product and because its largest use is in the standardization of the manufacture of many products, it has never been possible to estimate the market. For instance, when the automobile body manufacturers were making their bodies out of wood and metal, there was not such a great need for Parker-Kalon products. When automobile body manufacturers decided to make all-steel bodies, the use of Parker-Kalon products naturally jumped enormously in this field. The same is true of the recent trend toward steel construction in radio receiving apparatus. The full possibilities of the Parker-Kalon products itself are still in the development stage.

Because of this market determination difficulty, advertising is partly re-(Continued on page 91)

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#### Drug, Inc., Acquires Owl Drug Stores; Has 667 Units

The Owl Drug Company, operating 107 stores on the Pacific Coast and in the Middle West, was purchased this week by Drug, Inc., George M. Gales, vice-chairman of the latter company, has announced. An exchange of stock for the common shares of the Owl company has been agreed upon and application will be made soon for additional listing of Drug common on the New York Stock Exchange. The Owl Company, with headquarters in San Francisco, operates laboratories there and in New York, for the manufacture of a line of medicines, household drugs, chemicals and toilet goods, sold under the Owl name, and the Darnee brand of perfumes. The company also has distribution for these products through 1,000 other drug stores in the Far and Middle West, Alaska and Hawaii.

Acquisition of the Owl stores will bring the number of retail units controlled by Drug, Inc., to 667. Most of them operate under the Liggett name, although for the present, at least, the Owl stores will retain their identity.

#### National Union Promotes Quinn and Blauvelt

D. J. Quinn, sales manager of the Sonatron Tube Company until its merger with the Magnatron Tube Company, Televocal Corporation and Northern Manufacturing Company into the National Union Radio Corporation, has been appointed Western sales manager of the National Union organization, with headquarters in Chicago.

C. B. Blauvelt, who has been engaged in advertising and sales promotion work with the Northern company, is now advertising manager of National Union, with offices at 400 Madison Avenue, New York.

#### Peerless Motor Plans Radio Manufacture

The Peerless Motor Car Corporation may soon enter the radio manufacturing business, J. A. Bohannon, president, said at New York this week. The company's facilities would make a supplementary radio business a profitable addition, Mr. Bohannon said. It has been reported that Peerless is negotiating with a radio concern to manufacture radios under its name.



Thomas E. McLaughlin

#### Saturday Evening Post Names McLaughlin

Thomas E. McLaughlin took up his new duties as advertising manager of the Saturday Evening Post, under Fred A. Healy, advertising director of the Curtis publications, early this week. Mr. McLaughlin was promoted from New England manager of the Post, with headquarters in Boston, where he began his career with Curtis as advertising representative, later becoming New England manager of the Country Gentleman.

#### Ward Store Program Still "Undecided"

Although continuing the expansion of its chain store system, the number of units to be added by Montgomery Ward & Company, in 1930, has not yet been decided, the New York Times reported this week. In 1929 the goal of 250 stores was exceeded, the Times said:

A store at Griffin, Georgia, has been closed because of unfavorable location. This, it was explained, was only the second store to be closed by the company out of 550 opened since the launching of its chain system.

#### Heads Firth Advertising

G. A. McDonald has been appointed advertising manager, a new position, with the Firth Carpet Company, New York.

#### White Rock Merger with Canada Dry Is Considered

Preliminary negotiations are now being conducted toward a merger of Canada Dry Ginger Ale, Inc., and White Rock Mineral Springs Company, which would create an outstanding factor in the soft drink industry, with assets of \$17,000,000 and combined annual sales of \$15,800,000.

P. D. Saylor, president of Canada Dry, admitted that conversations were now being held, but said that no formal offer had yet been made.

ofter had yet been made.
Canada Dry's sales volume is more than \$12,500,000 annually; White Rock's are \$3,300,000. Total assets of White Rock are \$9,000,000, of which \$7,000,000 is represented by the plant and property account. Canada Dry's total assets are about \$8,000,000, \$3,000,000 in plant and property. Balance for Canada Dry's capital stock in the calendar year 1929 was in excess of \$3,800,000, while balance for White Rock common is estimated at slightly under \$1,000,000. The new company would be second only to Coca-Cola in the field.

## Verity Becomes Chairman of Rolling Mill

George M. Verity, president of the American Rolling Mill Company, Middletown, Ohio, which he organized thirty-one years ago, has been elected chairman of the board, and Charles R. Hook, formerly vice-president and general manager, succeeds him as president.

Joseph H. Frantz, first vice-president, is now vice-chairman of the board.

#### Permutit Company Elects Kriegsheim Chairman

H. Kriegsheim, president of the Permutit Company for the past seven years, has been elected chairman of the board, and W. Spencer Robertson, formerly secretary of the American Locomotive Company, is now president.

#### General Motors Radio Appoints Grimm S. M.

J. E. Grimm, Jr., has been appointed vice-president in charge of sales for the General Motors Radio Corporation. Mr. Grimm's former position as advertising manager of Chevrolet has been filled by R. K. White.

JAN

#### How the Motor Car Industry Is Creating Sales Appeal in 1930

#### BY RAY B. PRESCOTT

The efforts of motor companies to create dissatisfaction among car owners with their last year's models are reflected at the current Automobile Show in New York only in minor changes, with the possible exceptions of the introduction of the front-drive cars, the sixteen-cylinder Cadillac engine and Reo's silent shift into second

The outstanding appeal this year is that of superior performance through higher-powered motors. The sixteencylinder Cadillac has a 165-horse-power motor; Hupmobile has 133 horsepower; Peerless, 132; Willys, 87, and Pierce-Arrow, 132. Even the lower-priced cars are emphasizing power. Nash and Erskine have focused on power in a more detailed way by talking horsepower per pound of car weight. This year for the first time the selling appeal of the eight-cylindered car is being stressed as against the performance of six-cylindered jobs. For the first time there are more eights in the show than sixes or fours. Among manufacturers introducing eights for the first time are Chrysler in the new DeSoto and Dodge, Hudson with a "Great Eight," Nash with a "Twin Ignition Eight" and Oakland. Several others have had eights for a year or two and are adding further to their line. These are Auburn, Graham, Hupp, Marmon, Peerless and Studebaker.

Silent gear shifts and multi-range transmissions are being used as selling appeals by many of the car manufacturers. The American Austin has struck a new appeal in urging that the public buy it as "the family second car" for utilitarian purposes, especially in connection with the

In color schemes there seems to be a wide range and a tendency on the part of some manufacturers to follow modernistic trends. The two giants of the industry for the coming year, Ford and Chevrolet, have both made minor but substantial improvements in their last year's models. Ford has increased the size of his car, making it much roomier and more comfortable and at the same time greatly increasing its beauty. He has also reduced the center of gravity by putting on smaller rims and larger tires. This will also add to the ease of driving. Chevrolet has increased the

power, put larger tires on smaller rims, added Lovejoy shock absorbers and improved the brakes.



John M. Howard

## G. M. C. Truck Promotes Howard and DeHart

John M. Howard has been appointed assistant sales manager in charge of sales extension, and Henry T. DeHart, advertising and sales promotion manager of the General Motors Truck Company, Chicago.

Mr. Howard was previously advertising manager; Mr. DeHart is a former advertising and sales promotion manager of the Reo Motor Car Company.

#### Heads N. B. C. Sales

With the appointment of E. Y. Crossmore, vice-president, to take charge of the new operating department of the National Biscuit Company, which is composed of the production, engineering and purchasing divisions, F. K. Montgomery, formerly manager of the purchasing department, has been elected a vice-president and will have charge of sales.

#### Now Cabot & Company

Harold Cabot & Company have taken over the business of the Barrett Smith Advertising Company, with offices in the Chamber of Commerce Building, Boston.

#### Harbord Heads Radio Board; Appoint Sarnoff President

Gen. James G. Harbord was elected chairman of the board and David Sarnoff president of the Radio Corporation of America this week.

General Harbord, promoted from president, succeeds Owen D. Young, who becomes chairman of a newly created executive committee.

Only thirty-nine years old, Mr. Sarnoff has been executive vice-president of the corporation for the past year, vice-president for several years and a member of the executive staff since its establishment in 1919. He has been especially active in the sales expansion of the company. Largely as a result of negotiations conducted by him, the radio and phonograph were combined five years ago in the same cabinet.

With the development of the soundon-film system of recording and reproduction, the Radio Corporation in 1928 organized RCA-Photophone, Inc., of which Mr. Sarnoff was elected president. Shortly afterward the corporation obtained an interest in the Radio-Keith-Orpheum theatres and Mr. Sarnoff was elected chairman of the R. K. O. Corporation.

Last year he was active in bringing about the merger of the Radio Corporation of America and the Victor Talking Machine Company, and later in the year negotiated with General Motors Corporation in a transaction which gave the automobile organization patent rights owned and developed by the RCA.

#### Lorillard Increases Rocky Ford Copy

Based on a 100 per cent increase in sales in 1929, P. Lorillard Company, New York, has doubled its advertising appropriation for Rocky Ford cigars this year. The campaign, which will appear this month in forty-five newspapers in thirty-five cities, will emphasize an "industry defense" appeal, featuring the slogan, "Don't Let the Bogey Man Bother You, Mr. Cigar Smoker." Replying to the "spit" campaign on Cremo cigars of the American Tobacco Company, Lorillard copy can Tobacco Company, Lorillard copy will point out that fifteen years ago a law was passed forbidding the use of saliva in the manufacture of cigars. Weekly insertions of three columns by twelve inches will be used in the newspapers as well as large space in the Saturday Evening Post, Collier's and the Country Gentleman. A folder will be distributed by retailers.

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## Inventory your territories, too

PEOPLE are important to business, to you, not in terms of How Many, but How Much. Per se it is not important that the incorporated area of Atlanta includes three hundred thousand or more people. Nor that the overnight circle encompasses eighteen million.

What these millions are able to buy is the important fact.

It has been estimated that an \$8,000 income in Atlanta is the equivalent of a \$12,000 income elsewhere,—for the Atlanta dollar buys a higher standard of living than elsewhere. In other words, the margin is greater for comforts, for luxuries—for the things you sell.

And this year you who sell luxuries and semi-luxuries will need more than ever to search out fields where your kind of goods can be bought.

This is inventory time. Make a careful analysis of your major territories. Find out the *true* purchasing power in each, the sales you are making in each, the sales you should be making in each.

The South is a vital market. Its purchasing power has trebled in the past ten years. It has far outrun the ability of statisticians to record the growth that is taking place. Yet you are apt to find your Southern volume under your expectations—unless you are operating from a branch in the South.

Modern marketing conditions have made it necessary to put a branch in each major market. Your trade expects "overnight" delivery—and your Southern trade looks to Atlanta, because fifteen main railroad lines reach most quickly to the whole rich territory and because America's outstanding concerns, already here, have created the habit.

Branch offices in Atlanta have a way of growing into branch factories. Improved distribution facilities increase volume, to the point where a branch factory becomes practical. Fundamental economies in the Atlanta Industrial Area make it an unusually desirable location, with efficient labor, plentiful raw materials, low taxes, low-cost power, low ground rents, low building costs, equable climate and many other factors all helping to

lower production cost and increase profits.

Can we help you make your inventory of the South? The Atlanta Industrial Bureau is organized for the job. It is ready to go out and develop a first hand study especially for you without charge or obligation, and in the strictest confidence. The work will be started at once if you will write, 1929
Prosperity
assures Big
Southern
Business in
1930

INDUSTRIAL BUREAU, CHAMBER OF COMMERCE
261 Chamber of Commerce Building



Send for this
Booklet!
It contains the fundamenta! facts about
Atlanta as a location
for your Southern

ATLANTA

Industrial Headquarters of the South.

#### Westinghouse Joins Supply Companies; New Warehouses

Nineteen wholesale electric supply companies, with branches in sixty cities, doing an annual business of \$60,000,000, have been joined by the Westinghouse Electric & Manufacturing Company as the Westinghouse Electric Supply Company.

These companies were formerly owned by the Westinghouse Commercial Investment Company, but conducted business under their own names and through their own corporate organizations. With the change in the name of the Investment company to the Supply company, the units will be more closely coordinated—although each will continue to carry on its own business under the present management.

Central reserve warehouses are being established by the Supply company in Boston, New York, Syracuse, Philadelphia, Tampa, Detroit, Indianapolis, Chicago, St. Paul, St. Louis, Dallas, Los Angeles, Portland, Oregon and Seattle.

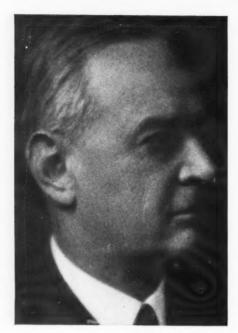
The new organization is expected to make possible the more efficient handling of the business of national customers, such as large utility and industrial companies, which require service in a number of cities, but which frequently purchase through one central office. For this purpose the company will maintain general sales offices at the New York head-quarters, 150 Broadway, and at 20 North Wacker Drive, Chicago.

A. W. Robertson is chairman of the board, and Walter Cary, president of the Supply company—the operating heads of which are John J. Gibson, vice-president; W. B. Clark, general manager; A. J. Selzer, director of sales and purchases; Walter Dick, auditor, and W. J. Jockers, general sales manager.

#### Thompson Establishes Latin-American Unit

J. Walter Thompson Company International Organization has established a Latin-American and Far Eastern division in one of the final steps of a program intended to supply for American clients world-wide service.

William B. Fergusson, formerly managing director of the McCall Advertising Agency of South America, will be managing director of the new division. He was formerly connected with General Motors Export Corporation.



John J. Gibson

#### Bureau of Advertising Optimistic on 1930

A January bulletin of the Bureau of Advertising (A. N. P. A.) takes an optimistic view of the outlook for national advertising in newspapers, but foresees keener competition than usual among the different media.

Supplementing interviews with advertisers and agencies, a summary of which has been published, the bureau has sent out several thousand letters, to which some 500 replies had been received up to January 1. "At first glance," says the bulletin, "the reports so far indicate good newspaper prospects for 1930. At the same time they leave the impression that there is a year of hard work ahead for newspaper advertising men, and that the year has the earmarks of a buyers' rather than a sellers' market." Uncertainty is found mainly in the automobile and radio fields.

The bulletin discusses indications seen in advertising records and other surveys, including that of the Four A's, showing, from sixty-three members, an estimated advertising volume in the first six months of 1930 amounting to \$119,135,063, 1½ per cent more than was spent by these companies during the same period last year.

#### A Correction

SALES MANAGEMENT'S November lineage compilation for New York was misleading because of omission of the star before the names of all evening papers published in Manhattan Island, indicating only secular day issues. Without this distinctive mark comparisons of total volume of individual papers may give an erroneous impression to readers unfamiliar with the facts.

#### Alemite Will Spend \$250,000 to Push Carbon Remover

To introduce Carbo-Solve, a new chemical carbon remover for internal combustion engines, the Alemite Corporation, Chicago, will spend \$250,000 in advertising, beginning next spring, in the *Saturday Evening Post*, 250 newspapers, business papers, direct mail and dealer helps, F. R. Cross, advertising manager, told SALES MANAGEMENT, this week.

The corporation is starting immediately to get national distribution in "all possible automotive outlets through our fifty Alemite distributors and selected list of 340 jobbers," Mr. Cross said.

Carbo-Solve, applied by means of an injector connected to the intake manifold or by a special service gun is said to eliminate carbon without the removal of the engine head. It will be sold on a money back guarantee. "In three ways," Mr. Cross pointed

"In three ways," Mr. Cross pointed out, "the Alemite Corporation expects the new product to be a valuable profit item for automotive dealers—in the sale of liquid tins at \$1.25 each, and the sale of the injectors installed on cars for motors to do their own Carbo-Solving, every five hundred miles, and a service charge from those who do not."

#### Harvard Plans Third Executive "School"

Courses for a third Special Session for Business Executives, to be held next July, were announced this week by W. B. Donham, dean of the Harvard Graduate School of Business Administration, Boston.

Courses will be available in finance; interpretation of financial statements; manufacturing policies; public utility management; railway transportation; retail distribution; and sales management—the last two being conducted respectively by Associate Professors M. P. McNair and N. H. Borden, and by Professors H. R. Tosdal and H. T. Lewis. The change in the length of the session from six weeks to a month was made at the request of business men who felt that the shorter period would be more convenient for them, Dean Donham said. Only men with business experience, holding responsible positions, ordinarily will be admitted to the session.

Last summer 224 men from 145 companies located in twenty-eight cities and four countries participated. 930

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## NEWSPAPER THAT MADE A NEW CITY

If newspapers can be said to build cities, the new Cincinnati is the work of the Cincinnati Post.

I T all dates back to October, 1923, when a group of influential citizens and *their* newspaper, the Cincinnati Post, sounded the call to action that gave Cincinnati a new Government.

The men who first suggested the change were prominent. But they alone could not put it across. They needed the support of a powerful, influential newspaper. They found it in the Cincinnati Post.

While other newspapers in Cincinnati sat back, either lethargic or actively hostile, the Cincinnati Post fought on.

Through its editorial columns, its famous Cincinnatus Column, through feature stories, it crystallized the public opinion which, in 1924, after only one intensive year of work, voted in the Charter Government by the tune of two to one.

This change was the beginning of the new, progressive, active, prosperous Cincinnati. Today, Cincinnati is called by experts in political economy the best governed large city in the United States.

It follows that the Cincinnati Post is the influential newspaper in Cincinnati. It numbers among its readers the influential citizens, the progressive, civic-minded, forward-thinking people who went to the polls and made these changes, and who for six long years have kept them firmly in force.

And certainly this great group of people\*, ambitious enough to change a government, is progressive enough to want a new motor car, a new radio, a modern home, new clothes, and all the other modern, new things that American Industry has to sell.

Only by putting the Cincinnati Post on your list, can you reach in its entirety this market of influential, forward-thinking, civic-minded Cincinnatians.

#### \*Post Circulation:

1. City and Suburban..... ...139,435 2. In the O. K. Market ...160,000 3. Total Circulation..... 195.062

NATIONAL ADVERTISING DEPARTMENT OF SCRIPPS-HOWARD NEWSPAPERS 230 PARK AVE., NEW YORK CITY

> MEMBERS OF THE AUDIT BUREAU OF CIRCULATIONS . . . OF THE UNITED PRESS and of MEDIA RECORDS, INC.

SCRIPPS—HOWARD The New Cincinnati in the Making! This downtown picture was taken only a few months ago. But already the building in the background and the entire square beyond have been razed, to be replaced by a 48-story, \$30,000,000 structure.

(Above)

CHICAGO · SAN FRANCISCO · LOS ANGELES · DALLAS · DETROIT · PHILADELPHIA · BUFFALO · ATLANTA



## DEPENDABLE STATLERS

Seasoned travelers, men and women who are always roaming the highways of the world, are great friends of the Statlers.

Statler Hotels, they'll tell you, are dependable. You know what to expect of them; they're the trade-marked, full-measure, known quality of hotel merchandise. Their rates are posted in their rooms—rates which do not change with the flow of business. And what's more (travelers will tell you), Statler values are away out in front—"values" meaning the relation of what you get to what you pay.

The radio in your room, your

The radio in your room, your own private bath, circulating ice water in every room, a morning paper under your door, good food in well-planned, well-run restaurants, and cheerful, helpful personal service from well-trained employees — those things are dependable in a Statler — where your satisfaction is guaranteed.

## HOTELS STATLER

BUFFALO CLEVELAND DETROIT
ST. LOUIS
NEW YORK
[Hotel Pennsylvania]

#### Sales Statistics Cause Supreme Court to Approve International's Merger

(Continued from page 60)

This amounted to less than one-fourth of the production of dress shoes by the International for a single day, the daily production being about 250 dozen pairs.

After reviewing these facts, the opinion held that in respect of 95 per cent of the business there was no competition in fact and no contest, or observed tendency to contest, in the markets for the same purchasers, and that the remaining business was of such slight consequence as to deprive the finding that there was substantial competition of any real support in the evidence. The opinion then explains that section 7 of the Clayton Act, as its terms and the nature of the remedy prescribed plainly suggest, was intended for the protection of the public against the evils which were supposed to flow from the undue lessening of competition, and, after several citations and a statement of the purpose of the law, continues:

"Mere acquisition by one corporation of the stock of a competitor, even though it result in some lessening of competition, is not forbidden; the act deals only with such acquisitions as probably will result in lessening competition to a substantial degree. . . . Obviously, such acquisition will not produce the forbidden result if there be no pre-existing substantial competition to be effected; for the public interest is not concerned in the lessening of competition, which, to begin with, is itself without real substance."

#### Condition at Time of Sale

In reviewing the financial condition of the McElwain Company, the opin-ion explains that in the spring of 1921, due to the falling off of sales and prices, commitments for large supplies of hides, as well as the possession of large stocks of shoes and an inability to meet obligations, the officers of the company, after long and careful consideration of the situation, concluded that the company was faced with financial ruin, and that the only alternatives were liquidation through a receiver or an outright sale. New orders were not coming in; losses during 1920 amounted to more than \$6,000,000; a surplus of about \$4,000,000 had been exhausted and within a year had been turned into a deficit of a slightly larger sum. Also, in the spring of 1921, the Mc-Elwain Company owed approximately

\$15,000,000 to some sixty or seventy banks and trust companies, and, in addition, nearly \$2,000,000 on current accounts.

Notwithstanding the depression of the shoe trade, the opinion notes that the condition of the International company was excellent. Its surplus stock was not excessive and it was able to reduce prices. It had an increase in business of about 25 per cent, and during the early months of 1921 orders exceeded the ability of the company to produce, so that approximately one-third of them were canceled. "In this situation, with demands for its products so much in excess of its ability to fill them, the International was approached by officers of the McElwain Company with a view to a sale of its property."

#### Basis of the Transaction

The transaction, as the opinion further explains, took the form of a sale of stock instead of the assets, not, as the evidence establishes, because of any desire or intention to thereby affect competition, but because by that means the personnel and organization of the McElwain factories could be retained. The opinion also held that it was perfectly plain from all of the evidence that the controlling purpose of the International in making the purchase was to secure additional factories which it could not build with sufficient speed to meet the pressing requirements of its business.

The opinion also comments on the suggestion by the court below that, instead of an outright sale, any one of several alternatives might have been adopted which would have saved the property and preserved competition, but found that all such suggestions might be dismissed as lying wholly within the realm of speculation. It then discusses several of the suggested methods of disposal, and adds:

"As between these and all other alternatives, and the alternative of sale such as was made, the officers, stockholders and creditors, thoroughly familiar with the factors of a critical situation and more able than commission or court to foresee future contingencies, after much consideration, felt compelled to choose the latter alternative. There is no reason to doubt that in so doing they exercised a judgment which was both honest and well informed."

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## SALES AND PROFITS IN 1930

IT is inevitable that the early months of 1930 will bring business readjustments. In certain fields big business will continue to expand. Smaller companies will join with others for economy and mutual advancement. It will be a period of sound preparation for bigger business to follow.

"Advertising Potentialities". "Good Will". "Standing in the Field". "Development of New Markets". In many of the forthcoming consolidations, these factors will play an important part. And what part they should take can often be determined best by an analyst with wide practical experience in the problems of sales management as a whole.

We know of one of the highest paid executives in the country with nationwide experience in merchandising and advertising, who senses this trend in business and whose services will be available in an advisory capacity on a fee basis during the months of January and February 1930.

His knowledge should prove particularly valuable to company principals, commercial bankers and underwriting bankers, who are considering new marketing problems.

This man's record is his best recommendation. We will put you in touch with him upon request.

#### SALES MANAGEMENT

The weekly magazine for marketing executives

RAYMOND BILL . . . PRESIDENT

GRAYBAR BLDG. , , NEW YORK CITY

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# They Control Your Entrance to the Cincinnati Market Merchants Executives Manufacturers

If your product is dealer-distributed, the first problem is obtaining an outlet through the established channels of distribution.

To obtain the outlet, the individuals who govern the channels of distribution must first be sold on your product.

In Metropolitan Cincinnati there are 17,850 Key Men; or governors of distribution; the Times-Star reaches regularly in the home 80% or 48.34% more than can be reached through any other established media.

In planning your advertising investment in Cincinnati, compare media costs and what you get for your money and you will arrive at the same conclusion as many other advertisers—that concentrated selling effort in the Times-Star is economical and will produce maximum results per dollar invested.

## The Cincinnati Times-Star

Eastern Representative MARTIN L. MARSH 24 West 40th St. New York City, N. Y.

Western Representatives KELLOGG M. PATTERSON 904 Union Trust Bldg., Chicago, Illinois

#### Gillette Factory Starts Work on New Razors

At exactly noon last Monday every wheel in the plant of the Gillette Safety Razor Company at Boston stopped, marking the end of the old razor and blade. At 12:30 the machinery was started again, on production of the new models.

The last old model razor turned out was number 115,272,539, while production of the old blades exceeded 5,000,000,000.

Every entrance of the Gillette factory has been guarded to prevent information on the new products from leaking out, and only the two hundred officers, managers and salesmen gathered there from all over the world could learn the details about them.

Hundreds of thousands of dollars of machinery have been scrapped and many more hundreds of thousands spent for newly invented and built machinery. Within two months the new product will be obtainable throughout the United States and in many foreign countries. Several months will be required, however, to secure world-wide distribution. Until the new product is available in quantities the company will make every endeavor to maintain secrecy.

## Treadway Takes Charge of S. P. Advertising

F. Q. Treadway, assistant advertising manager of the Southern Pacific Company, San Francisco, for several years, has been appointed advertising manager, to succeed K. C. Ingram, who resigned last week to become manager of the San Francisco office of Lord & Thomas and Logan.

Mr. Ingram takes the place of Dwight W. Jennings, transferred to Europe to take charge of Lord & Thomas and Logan interests there, and Duane D. Jones has been appointed manager at Los Angeles. Don Francisco, vice-president of Lord & Thomas and Logan, continues as general manager on the Pacific Coast.

#### Howland, Oliphant Merge

The H. S. Howland Advertising Agency, Inc., and the C. J. Oliphant Advertising Agency, Inc., both of New York, have combined as Howland, Oliphant & McIntyre, Inc.—with H. W. Howland, chairman; O. E. McIntyre, president; Edward H. Acree, vice-president; C. J. Oliphant, secretary and treasurer.

H. E. Wade, M. P. Taylor and F. L. Roberts are account executives; Hugh M. Smith is copy chief.



COLLINS & AIKMAN CORPORATION, New York, Ca-Vel velvets, to N. W. Ayer & Son, Inc., there.

AMERICAN MAIZE-PRODUCTS COMPANY, New York, Amaizo oils, syrups and cornstarch, to Geare, Marston & Pilling, Inc., of that city. Newspapers and radio broadcasting.

CRACKER JACK COMPANY, Chicago, Cracker Jack, Angelus marshmallows, etc., to Batten, Barton, Durstine & Osborn Corporation, there.

CROSLEY RADIO CORPORATION, Cincinnati, Icyball division, mechanical refrigerators, to the Marx-Flarsheim Company of that city. Magazines reaching small towns and farms.

R. B. Davis Company, Hoboken, Cocomalt account to Ruthrauff & Ryan, Inc., New York City.

BLOOMFIELD LABORATORIES, Bloomfield, New Jersey, Hygem, to Frank Presbrey Company, New York City. Newspapers in northern New Jersey territory, also local magazines and drug papers, direct mail, window and counter displays.

INTERNATIONAL PRODUCTS CORPORATION, New York, to Wales Advertising Company, Inc., of that city. Torex beef bouillon in magazines and newspapers.

MANHATTAN SOAP COMPANY, New York City, to the Peck Advertising Agency, Inc., there. Newspapers in the spring.

STERLING SHOE CORPORATION, retail chain; and VISCO-METER CORPORATION, New York, to Addison Vars, Inc., Buffalo. The former account, effective February 1, newspapers in several cities and direct mail; trade papers, magazines and newspapers for the latter.

STEARNS & FOSTER COMPANY, Cincinnati, mattresses, cotton batting, etc., to the Procter & Collier Company, there. National, newspapers and direct mail.

F. H. KORFF & COMPANY, New York City, consulting and industrial engineers, to Frank Presbrey Company, there.

ERIE METER SYSTEMS, INC., Erie, Pennsylvania, meter pumps, to Burton Bigelow, Inc., Buffalo. Direct mail, business papers and other media.

Lux Leghorn Land & Game Farm, Hopkinton, Iowa, to Cole's, Inc., Des Moines. Farm papers and outdoor magazines.

ARMSTRONG ELECTRIC & MANUFACTURING CORPORATION, Huntington, West Virginia, electric ranges and table specialties and hardware, to Richardson, Alley & Richards Company, New York City.

ALLIED DRUG & CHEMICAL CORPORATION, New York City, Velogen account, to Kelly, Spline & Watkins, Inc., there.

Gossip

F. A. LABAW has resigned as general sales manager of the Marvin Radio Tube Corporation, Irvington, New Jersey, to become general sales manager of the Standard Tank & Seat Company, Camden, New Jersey. . . . ARTHUR L. EATON will resign January 15 from the copy staff of Young & Rubicam, Inc., New York agency, to join Dorrance, Sullivan & Company, there, as director of copy. He was formerly sales promotion manager for the Atwater Kent Company, Philadelphia. . . W. I. Shuge, formerly advertising manager of the Kolynos Company, New Haven, Connecticut, and prior to that advertising and sales plomotion manager of the Winchester Repeating Arms Company, there, has joined Jordan Advertising Abroad, Inc., New York, as manager of the service department. . . ROBERT W. MICKAM, at manager of the Marvin Radio Tube Cor-New York, as manager of the service department. . . . Robert W. Mickam, at one time with the Manternach Company, Hartford, and more recently with Robinson-Lightfoot & Company, Inc., New York, is now with the Charles W. Hoyt Company in the new Hartford office. . . . Sherwin Murphy has joined the copy and merchandising staff of Buckley, Dement & Company, Chicago direct-mail house. He is a former advertising manager of J. W. Allen & Company, wholesale confectioners, there. . . . A. M. Staehle has been promoted from assistant to sales manager in charge of advertising sales for ager in charge of advertising sales for Coal Age, a McGraw-Hill publication. He was at one time in charge of industrial division advertising with Westinghouse Science Monitor. . . . JACK KNABB, formerly secretary of the Rochester Real Estate Board, at one time connected with the advertising department of the Franklin the advertising department of the Franklin Automobile Company and also with H. C. Goodwin, Inc., advertising agency, has joined the Rochester office of Addison Vars, Inc., as an account executive. . . . BEN C. Budd has been made director of marketing of O. S. Tyson & Company, New York agency, which he joined last October. He has been with the F. J. Ross Company of New York and the Powers-House Company of Cleveland. . . LEON GIELLERUP and E. C. STODINGER—the former at one time sales . . . LEON GIELLERUP and E. C. STODINGER—the former at one time sales and advertising manager of the Clark Lighter Company and more recently with the copy and contact department of the J. Walter Thompson Company, the latter as an account executive with Lennen & Mitchell, Inc.—have joined Erwin, Wasey & Company, Inc. Mr. Giellerup is in the copy department and Mr. Stodinger an account executive. . . . Robert G. In-MAN and Victor Nelson have joined Nelson, Duncan & Harlow, Boston agency. Nelson, Duncan & Harlow, Boston agency.
Mr. Inman formerly was with C. W.
Jackson & Company, New York, and with
Wolcott & Holcomb, Boston; Mr. Nelson
with the Providence Journal and business

Manager of Companyity Bases, New Yorks. manager of Community Press New Jersey.

New England's Second Largest Market

In 1929

The Providence Journal

The Evening Bulletin

carried

26,335,284 lines

of paid advertising, a gain of 1,427,109 lines over the previous year. This is more than

76%

of the total advertising which appeared in all Providence newspapers in 1929.

Average net paid circulation of The Providence Journal and The Evening Bulletin is

125,658

which is more than the total of all other English language newspapers in Rhode Island combined.

The leadership in circulation and advertising has been won solely by the high character of these newspapers.

Providence Journal Company

Providence, R. I.

Representatives:

CHAS. H. EDDY COMPANY Boston - New York - Chicago R. J. BIDWELL COMPANY
Los Angeles - San Francisco - Seattle

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## Editorials

HE EVER-CHANGING SHOW OF CARS: The automobile's place in popular esteem is proved by the growing crowds of visitors to the annual shows of cars. The latest rosters are always the largest. The reasons for this are obvious. Every one owns or wants to own a car, and curiosity about the newest devices for increasing the power, comfort and beauty of motor vehicles is encouraged rather than sated by the improvements which come out of the plants each year with unfailing regularity. Among the three hundred models exhibited this year at Madison Square Garden by forty-six makers there is infinite variety, but the prevailing trend is to greater luxury and grace in bodies that are more suggestive than ever of speed and power. Of like significance is the attention given to means of transmitting power smoothly and effectively rather than to increasing power. There are a few new eights, some manufacturers have added to their lines of eight-cylinder cars and there is one of sixteen cylinders. But in general the emphasis is on definite refinements rather than on distinct innovations. . . . The industry is buckling down to its main job, which is to provide better and better cars to take the place of cars that are worn-out, and to shorten the period of satisfaction with models that are not quite up to date. The shows are the opening of the book of revelations of what a year's experience and study have brought forth. They tell to a privileged few the story of human ingenuity ceaselessly employed to gratify human craving for the latest and best in means of speedy locomotion. That story in all of its details has still to be unfolded to the millions of people all over this country and in other parts of the world who cannot get to the shows.

AN VALUES AND BOOK VALUES: A healthy disposition has been cropping out recently to restore the individual in business to his proper perspective. The importance of the human factor seemed for a time to have been overlooked among the prodigies of the machine, the pyramids of finance and the regimentation of production and distribution. . . . This tendency began with the displacement of firms by corporations. It was intensified by the out-pouring of corporation securities dissociated from personalities. Its climax was reached in the speculative frenzy that took note of nothing but rising quotations. . . . The collapse in the stock market revived memory of elements in appraisals of real values which used to be regarded as essential and

are once more gaining recognition. Among these elements none was rated so highly as the character of the men behind the earning statement. Their ability to obtain satisfactory returns was more significant than mere weight of resources shown on the balance sheet. To this fact and the new understanding of it Samuel Crowther calls attention in a timely Saturday Evening Post article contrasting the relative advantages of man values and book values—the worth of management instead of the worth of the things that have to be managed. This judgment lies at the root of the tree of uncertainties that shadow the merger future and affords the best assurance that individuality in our business life will never yield to magnitude of combinations.

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NBRANDED IDEAS IN DISPUTE: No one supposes that Cremo cigars are mainly distinguished for their freedom from the old spitsealed wrapper. Presumably they possess many virtues. But the others might have escaped the attention of thousands of smokers if some ingenious mind in the American Tobacco Company had not found a striking theme for advertising discourse in the complete detachment of these cigars from offensive human contact. Now comes Lorillard, however, protesting against the implication of invidious comparison. Its Rocky Ford cigar is also innocent of this taint because it too, like Cremo and most other cigars nowadays, comes from a mechanism unprovided with salivary glands or any contaminating animal tissue. So, rather than allow a rival to monopolize the glory of sanitary manufacture, Lorillard is going into the newspapers and magazines with copy that will swat the spit "bogy man" and incidentally sing the praises of Rocky Ford. . . . This may not be a case of stealing the other fellow's thunder in the cause of the whole truth, but it suggests something of the sort. In any case it sets up a precedent for questioning claims of advertisers which may mark a new era in merchandising promotion. Lucky Strikes have become celebrated for the heating or "toasting" which we understand cigarette tobacco undergoes before it is rolled. Listerine is the only antiseptic wash that has been made known as the enemy of halitosis, and there are numerous products which have obtained fame by ringing the changes on qualities which other products possess in equal degree but have not profited from by trumpeting. In matters of this kind priority in adoption of an idea has frequently served all the practical purposes which are conferred by legal copyright in the case of slogans.

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LOTHES for Junior—a tie for Dad—or a motor car for the whole family . . . it's the wife's vote that carries the day. Her likes and dislikes dictate. Her judgment is accepted. She's the world's greatest Purchasing Agent—a quorum of one.

Realizing that they must win her approval before they can hope for her vote, advertisers try to concentrate in the paper she reads, a home paper.

But how determine that home paper?

In some cities, a comparison of daily circulations may suffice. But not in Boston!

The only sure way to select a home paper in Boston is to compare Sunday circulations. With thousands of commuters carrying papers into town and out of town—with two combination morning and evening papers in the picture—daily circulation figures cannot prove home strength. Sunday figures can.

One Boston paper loses 20% of its daily circulation on Sunday in the Boston Trading Area.

Another loses 53%. No other paper picks up this loss! Obviously here is a large en route circulation . . . train . . . trolley . . . bus.

The Sunday circulation of the Boston Globe is the same as its circulation the other six days. Here is the true home paper of Boston—a paper read at home seven days a week.

Editorial reasons? . . . A woman's page established 35 years ago as the first woman's page in America . . . selected school and church news . . . the largest volume of local store advertising carried by any Boston paper . . . more local news . . . These features help make the Globe the favorite home paper and hence a direct advertising appeal to that most powerful of all Purchasing Agents, the wife.

The whole story is told in a booklet, "Reaching Buying Power in the Boston Market." We should like to send you a free copy.

THE BOSTON GLOBE

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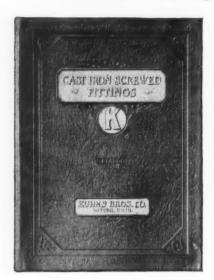
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## Burk-Art\*Processed COVERS SELL the CONTENTS



YOUR investment in the contents of a book or catalog is insured if bound in Burk-Art Processed Covers.

First, it will stand out from competitive literature. Second, it will remain attractive and resist wear in the hardest service.

Fabrikoid, Lexide, Fiber-cote or leather—in any grade—may be economically made into covers and Burk-Art Processed.



The name of a process of embossing and decorating various binding materials to produce book and catalog covers of unusual beauty in color, texture and design.

## THE BURKHARDT COMPANY 545 W. LARNED STREET , DETROIT, MICHIGAN

CREATORS OF VISUAL SELLING EQUIPMENT

A PROSPEROUS YEAR

NEWSPAPER ADVERTISERS

#### IN PEORIA



—and most Peoria Advertisers will find that the "four out of five homes" coverage of THE PEORIA JOUR-NAI. TRANSCRIPT in Peoria and Central Illinois is adequate to put their products "over" in the Peoria Market.

THE JOURNAL-TRANSCRIPT lead second Peoria newspaper over 927,000 lines in 1929.

#### PEORIA JOURNAL-TRANSCRIPT



#### Carnation Milk's Double Check-up Plan

(Continued from page 72)

or wherever it might be), then his headquarters' town, the date of the daily report, and the name of the hotel and town from which the report is made. The main body of the sales report might find its counterpart in almost any large business except that statistics are gathered on it in regard to the amount of Carnation Products sold by each dealer a month, and the advertising he has used in conjunction with our selling service. A record is also kept of the amount of merchandise in stock. One good feature in this sales form is the expense record at the bottom of the same sheet, but the most important is the perpetual recapitulation. You see that the orders taken, the calls made, the new accounts sold and information on various lines are carried forward from day to day in each report, giving cumulative figures for each month, which gives the salesman his own check-up on progress and shows him exactly where his own weak spots are. For our information, too, the total mileage on his speedometer is carried forward as well as the general and automobile expenses, and the cash advanced for them. The greatest advantage of this detailed sales report is just this: It gives the salesman, the district manager and the sales manager an exact check-up on both accomplishments and sales costs every day.

#### Close Touch with Conditions

As far as we were able we have put on one sheet all the information we needed from each salesman. From the reports we can analyze the merchandising trends in each district, the cost of covering it, the unit cost per product, and the cost per salesman; and, because of the form's thoroughness, we can come almost as close to knowledge of our salesmen's characters as we can through out personal contact with them.

We have a special letterhead form for detailed reports on individual accounts that might be a problem to the salesman. In this report the salesman tells us as much about the conditions surrounding the account as he possibly can, why he did not sell it, what the customer's objections were, and his opinion of it. These special forms are used only where there is a great deal to say about the account, otherwise the salesman makes his comments on the back of the regular sales report.

Comparative purchase records are also kept in the office on each cus-

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tomer, showing how his current orders compare with those given in the past. Monthly recapitulation of the salesmen's sales and districts is made on total volume and sales cost. There we have the story of the whole district at a glance. Regular monthly comparative statements for the whole territory, showing the current month compared with the corresponding month of the last year and the total cumulative figures for this year, to date, with the same period of the previous year. With the foregoing information at hand the sales manager knows at all times just where he stands, and can render fairly accurate and intelligent reports to the executives of the company.

#### Coaxing Folks to Fly

(Continued from page 68)

who will be in attendance, perhaps he can furnish us a membership roster from which we can secure the desired information. We then send a letter to prospective delegates, suggesting that they make the trip by air.

We usually invite those attending conventions in Detroit to visit the Ford Airport in a body on a given day and try to get this event into the

convention program.

We also arrange to have a booth at the convention hall where we validate tickets, furnish information, and pass out literature, and, where permissible, we have a representative make a brief talk before the convention.

Similar promotional work is carried on to stimulate aerial sight-seeing trips.

It is the reduced rates, made possible by the sales work outlined above, that has caused the change in the type of air-line passengers referred to at the beginning of this article. The traveling man who formerly could not get the cost of a trip by plane into his expense account now can do so in most cases, particularly if the element of time is considered, and that is why our typical passenger has become the man who carries a sample case.

#### Copy Censorship Costs Magazines \$2,000,000

Periodical publishers rejected more than \$2,000,000 in advertising revenue last year to protect the public from fraud and deception, Edward L. Greene, general manager of the National Better Business Bureau, announced this week.

This total was computed by the bureau from figures submitted from 45 magazine publishers, Mr. Greene said. SERVE THE GROWING SOUTHWEST MARKET FROM DALLAS—THE CENTER!



## Dallas Is -

SOUTHWESTERN HEAD-QUARTERS TO AMERICAN BUSINESS

DALLAS and the Southwest are inseparable in the minds of the majority of national marketing executives. Nearly 2,000 concerns maintain sales, distribution or manufacturing branches in Dallas. American Business—represented by a goodly number of the nation's largest corporations—has selected Dallas as a strategic base from which to serve all or a large part of the six billion dollar Southwest market. The reasons? They are given clearly, concisely, yet completely, in a series of seven reports which will be mailed free to executives. Write on your business letterhead—or mail the coupon. All inquiries held strictly confidential.

# Southwestern Headquarters to American Business—1,985 national and sectional concerns maintain branches in DALLAS.

Industrial	Dallas,	Inc.,		
1503 Chamb	er of Com	merce	Bldg	Dallas.

Please send free your set of seven reports presenting a complete survey of the Southwest Market to:

Name\_\_\_\_\_\_\_
Title\_\_\_\_\_\_
Company\_\_\_\_\_

Address.....



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## If You Had \$50,000

If you had \$50,000 in your pocker, you'd be pretty careful about investing it, wouldn't you? First, you'd demand security. Then assurance of an annual dividend of \$2,500—\$3,000. Finally: a fair chance of increased value in the future.

A day dream, that \$50,000? Not at all. If you are a high-grade man, YOUR CAPITALIZED VALUE is AT LEAST \$50,000—PERHAPS \$100,000 or MORE. And you should invest yourself in business at least as carefully as you'd invest that much cash.

Our new booklet, "To Him That Hath—" tells you the most successful methods of picking a desirable employer and selling him your services. For ten years we have been retained by enterprising employers to find high-grade men for their organizations. We know what they want. We tell you what they want in this booklet. No obligation. Send today for "To Him That Hath—". It will give you a new slant on this matter of making good in a big way.

#### WILLIAM L. FLETCHER, INC.

Personnel Managers and Counselors 8 Newbury Street, Suite 976 Boston, Massachusetts

#### BIGELOW, KENT. WILLARD

& Co., Inc.

#### Consulting Engineers

Merchandising Counselors

Park Square Building BOSTON, MASSACHUSETTS

A record of the Proceedings of the Second Merchandising Conference, held under our auspices in Boston, in May, is available for loan to company officials. A request will place your name on the list to receive a copy, which is to be returned to us in ten

#### Straight Facts about the Grocery Warehousing Plan

(Continued from page 61)

veniently located warehouses which will require only a slight amount of remodeling to make them suitable for our purpose. Many such warehouses have been offered and in every case possible we shall utilize existing facilities and avoid the waste of duplication. Only where it is necessary will we avail ourselves of the offers to construct new buildings.

We have been asked many times as to the probable number of distributing points the warehousing plan will include; but at this time it is impossible to answer questions on this phase of the subject. One of our members, a large manufacturer of nationally advertised goods, has stocks located at 169 distributing points; but our project may never include anything like this number. Early in 1930 we shall start in two large cities and branch out as rapidly as possible. The cities selected will depend on the data now being collected.

#### Other Advantages

Besides the savings and conveniences already mentioned, the plan will offer an opportunity for more frequent contact between manufacturers' representatives and buyers. It will also eliminate duplication of effort, besides allowing for more mixed car shipments and offering a means of better control of sectional markets, with the additional advantage of more certain and economical handling of inventories.

Giving the wholesaler one point of call for grocery specialties manufactured by our members, with the point located conveniently in each instance, avoiding traffic congestion, I am sure the plan will make the wholesale grocer a principal beneficiary, with a marked reduction of distribution cost for the benefit of the retailer and the public. The plan has been proved entirely practicable and there is no doubt that we shall carry it through.

One of the most encouraging developments is the offered cooperation of wholesale grocers in all parts of the country. At first suspicion was expressed by some because of rumors that we were setting up machinery for direct distribution to dealers. But when the plan was more generally understood wholesalers realized that there is no connection whatever between the purpose of the plan and any thought of direct selling.

It is impossible to estimate the savings that will result from the plan, However, I may say that the member whose combined warehousing of brands was largely responsible for our present activity has reported that savings, due directly to warehousing all brands in one warehouse at each distributing point, amount to many thousands of dollars over a period of six months. Therefore, I feel safe in expressing the opinion that the plan in general operation will result in the savings running ultimately into millions of dollars annually.

#### This Score Board Flashes Report on Sales

(Continued from page 64) month, all that ordered were entered on buff cards, put back on the margin.

The white cards, then, are "lost" customers-that is, they haven't ordered for three months! They need special attention. The blue cards, too. No orders from those for two months!

We write the salesman, and say, "Bernstein, old man, I can't help worrying about your sales score board. There are twenty-three customers that have been "on the margin" for three months now. Twenty-three buyers of our stuff that are getting their products from some one else, I presume. What about Johnson at Leavenworth, Kansas." And so forth.

The young lady who runs the score boards makes up a list on the afternoon of the first day of each new month, showing buyers by classes, and listing those who have been "on the margin" for two months, and in a separate list, those who haven't bought for three months. Each salesman's list goes out to him special delivery that night, and wherever in his territory he is, he thus receives immediately a copy of his score board as it looked for the last day of the month.

One of our Chicago salesmen jumped his sales more than 30 per cent each month of two successive months after this score board system was started. He comes in each evening, studies the board, makes up a list of a dozen or so customers still "on the margin," and goes out and hits them hard the next day.

Lorenzen and Thompson, Inc., have been appointed advertising representatives of La Patrie, Montreal.

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#### Wanted: Better Legal Protection for Designs

(Continued from page 66) ornaments and trimmings of corresponding materials or character for apparel not in Class 4.

15. Miscellaneous, under which rights evidenced by the certificate of registration shall be limited to the specific product named in the certificate.

Design registration for any of these products can be applied to other types of products.

The costs for design registration, as outlined in the bill, are nominal, equaling a dollar a year. For instance for the first registration of two years the charge would be two dollars. For eighteen more, totaling twenty years, the charge is twenty dollars. Other costs (optional) are one dollar for duplicate certificate, with one dollar for the first 100 words and one dollar for each additional 1,000 for document recording in the copyright office.

Each product whose design is registered should bear the legend "Design registered in U. S." or "D.RGD." if space is limited. When it is structurally impossible to mark the product thus, the registration can be placed on a tag attached to the product. If anyone fraudulently marks his product as registered the penalty is fixed by the bill as \$100

The protection against the piracy of any design registered under this proposed law is the recovery of profits accrued to the pirate and damages assessed by the court. The mechanics of preventing the sale of products whose design is a copy of one registered in the same class of manufacture is through court injunction. If the court cares to, it can increase the damages to treble the amount assessed. When it is impossible to count the damages, a penalty of \$100 to \$250 is charged.

#### Chicago Tribune Expands; New News Home Soon

Plans have been completed for a new twenty-two story addition to be erected soon by the Chicago *Tribune*.

The New York Daily News, affiliated with the Tribune, will move soon into its new thirty-five story headquarters in East Forty-second Street. A feature of the News building will be an illuminated globe in the center of a circular lobby in the entrance of the building. The globe, twelve feet in diameter, was conceived by Raymond M. Hood, of the architectural office, which designed the building and Dr. James H. Scarr, meteorologist of the U. S. Weather Bureau.

## for 1930 SPRINGFIELD

and

Western Massachusetts

offer

# Outstanding Sales Possibilities

A COMPACT, POPULOUS AREA EXCEPTIONAL BUYING POWER RESPONSIVE DEALERS A LOW MILLINE RATE

Merchandising Service Adapted to Needs of Individual Advertisers

An Ideal Market for Test Campaigns. Write for New Market Booklet, "A Guide to 1930."



17% Gain in National Advertising Lineage for 1929 Over 1928

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#### Mr. President Do You Need an Executive?

This man has successfully demonstrated that he can sell, direct and build an aggressive, competent sales He has MANAGERIAL. force. SALES MANAGEMENT, and AD-VERTISING experience; a l s o COURAGE, VISION, VITALITY, BALANCE and INITIATIVE. Age 43, graduate Civil Engineer.

20 years diversified experience OFFICE APPLIANCES, BUILDING MATERIALS and INTANGIBLES, both domestic and foreign.

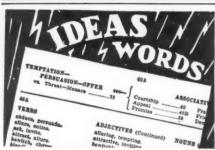
He is an accredited organizer, sales manager and correspondent.

Has had excellent experience in management, sales, advertising and credits. Has pioneered a SPECIALTY CONCERN from its embryonic stage to international

Record as to ability, character, industry and capacity will bear close scrutiny.

YOU may be conservative. However, I may be just the man you have been looking for. LET'S GET ACQUAINTED.

Write P. B. WALDIN, 1326 Waldron Avenue, St. Louis, Missouri.



#### LEAP INTO YOUR MIND

More Than the Greatest Collection of Synonyms and Antonyms.

Sales executives, speakers, correspondents—this is the modern authority on words. There has never been anything like it. With compelling, terse or flowery expression, this word book injects the desired tempo and charm.

anything like it. With compelling, terse or flowery expression, this word book injects the desired tempo and charm.

Instant choice from all the rich shades of meaning makes the message clear, interesting and irresistible. The novel "Idea Chart" is lavish and exhaustive, creating pointed or clever ideas on any subject. Truly a tired mind's paradise.

Entire first edition sold in sixty days. It is acclaimed in colleges and in every business and profession. We want you to examine this book FREE. No other way can you know how it stimulates thought and promotes efficiency. It is a favor for you to allow us to send ir; and, understand, just showe it back into the mailing case for returning if you do not like it. Until all stores carry, send coupon.

FREEEXAMINATION COUPON
Hartrampf Company, Gould Bidg., Atlanta, Ga.
Please send, delivery prepaid, Hartrampf's Vocabularies, 548 pages 629, in style and price checked below, for five-day examination. I will return it or remit price within five days.

| \$5.00 Full Lintex Gold | \$10.00 DeLuxe Gift EdiStamped

Name	 
Address	 
Documation	 A7

#### Sales Management Bookshelf

#### Humor, Biography and Common Sense in "Crying Our Wares"

"Crying Our Wares," by Howard Dickinson (308 pp., The John Day Company), is without question one of the most readable and enjoyable books on advertising that has come off the press in a long time. A touch of humor, a wealth of common-sense observation, based on interest of the press of timate contact and experience, and a dash of philosophy, combine to place this volume in the first rank of books on business. "Crying Our Wares" is valuable for all concerned; for advertising men and other executives as well.

Mr. Dickinson does not follow the usual continuity in this volume, because, as he argues: "Advertising reaches into the past and into the future, not so much as a wide stream with well-defined banks, but more as the sticks of a Chinese fan or a still incompleted network of threads. So the chapters which follow should be taken individually, as following each a separate fan stick, with the hope that at the end their union will make an intelligible pattern somewhat indicative of what advertising is coming to be because it

There is, first, an interesting study of advertising conditions and magazines of twenty-odd years ago, in which the author compares methods then and now. Those were the days when \$10,000 was a quite respectable advertising appropriation; when low-cost space was the rule; when adverlow-cost space was the rule; when advertising representatives were jacks-of-all-trades; and when they descended like locusts on the would-be advertiser to get the spending of an appropriation that to-day would hardly be sufficient to pay for a couple of pages in leading national magazines. Those were indeed hectic days, and Mr. Dickinson portrays them with the vivid touch of the artist.

There is food for thought in a chapter

There is food for thought in a chapter under the intriguing title, "Four Flivvers and Some Other Failures." These failures all might have been successful, but lack of consistency was their chief fault. "There was a real idea back of each of the four attempts to make an advertising account," says the author, "though there was not the real making of a consistent advertiser in any of them. One needs to know where advertising can and should lead him to

be a consistent advertiser."

Mr. Dickinson discusses the advertising manager and his problems and the vicisthe human traits that made successful men in the advertising field and characteristics that resulted in failures. He drives home the thought that the fundamentals are the

the thought that the fundamentals are the same now as in the earlier and more trying days of advertising.

Throughout the book there is much of a biographical nature, taken from years in the life of a man rich in experience and friendship, but the author has not and friendship, but the analysis and practical phases of the business. For example, considerable space is devoted to the "Investsiderable space is devoted to the "Invest-ment Value of Advertising," "Research and

Engineering" and "Selling Agency Service." Radio broadcasting as a medium for ad-

vertising also is discussed.
"Where Are We Going and How Do
We Get There?" asks the author in conclusion. He emphasizes the thought that there is a constant process of evolution in business; that public and private relations have an important bearing on business advance; that adequate, not merely volume, expenditure should rule; that there is a bright future for small, wellmanaged agencies, and he winds up with some sound advice to the youngster who plans advertising as a career.

#### Money-Making Ideas for Furniture Dealers

Although "202 Tested Tools-To Build Business for Furniture and Home Furnishing Stores," published by Periodical Publishing Co., compiled by Miss Verena D. Moran, associate editor of Furniture Rec-ord, is a practical manual for the furniture dealer seeking to develop new and more effective selling ideas, its scope is broad enough to provide valuable sugges-tions for retailers in many other fields. This compilation of sales ideas is the

result of a nation-wide search among furniture stores. Each plan has proved its worth in actual test. The large city estab-lishment and the small town store have contributed toward the making of the volume.

Brevity marks the style of presentation, each plan or stunt being described as concisely as possible. There are references to practically every line a furniture dealer handles and the index is so arranged that the merchant can quickly obtain informa-tion relative to a successful idea in moving any particular line.

#### Citizen's Rights Upheld by N. Y. Bar Member

Francis X. Hennessy, a prominent mem-ber of the New York Bar, discusses the difference between a citizen and a subject in "Citizen or Subject" (E. P. Dutton & Co., \$3.00). The book is based on the premise that the Eighteenth Amendment is an attempt on the part of the Government to defeat the accomplished purpose of the founders of the nation and to make government supreme, replacing the supremacy of the people.

The first part of the book is devoted to the thought that the founders of the country and the framers of the Constitution clearly indicated that the citizens themselves

clearly indicated that the citizens themselves and not the Government can validly alter the power of the Government over the freedom of the citizens.

The second part of the book develops the idea that the Eighteenth Amendment and its manner of being made a part of the Constitution reduce the citizen to a subject of the Federal Government. ject of the Federal Government.

Any book reviewed in these columns may be obtained through the SALES MAN-AGEMENT Book Service. 30

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#### Our Cost-Per-Call System for Working Industrial Prospects

(Continued from page 74)

lied upon to select the market. Certain vertical fields are covered because experience has shown them the largest users of Parker-Kalon products. use of the better business publications in these fields automatically selects the larger and more responsible prospects in these fields. Advertising in certain of the leading horizontal publications culls a market of larger and more progressive industrials in all lines of manufacturing. Direct mail campaigns are used only to the larger markets whose potentials are definitely known. In addition to these forms of selectivity, the jobber salesman is educated through personal contact and a house organ on the types of industry most likely to need Parker-Kalon products.

#### Cost Now 10 Per Cent

The cost of getting business through the present sales set-up is now as low as 10 per cent. When the corporation first started, it was 14 per cent, running one year as high as 19 per cent, but since then has steadily declined to the present 10 per cent figure. The sales of the Parker-Kalon Corporation in six years have increased eight times over the first year. To integrate all these forms of selling, that is, direct calls, business paper and direct mail advertising, the Parker-Kalon Corporation looks upon them in terms of sales calls and uses them in relation to their cost per call.

Operating a missionary salesman costs \$10,000 a year; salesmen's salary and expenses aggregate \$8,500 or \$9,000 and \$1,000 is allowed for supervising him and the general overhead such as letterwriting and the like. As this salesman makes some 1,500 calls a year operating 180 days of the year on the road, the cost per call comes to a little less than \$7. Since prospects upon whom the missionary salesman calls are selected and large potential users, expending one or more missionary calls on such a prospect is well worth while.

Supplementing the highly selected 1,500 calls of the missionary salesman, are some 4,429,267 yearly advertising sales calls made by twenty-four business papers, some monthly, some semimonthly and others weekly. The cost of this advertising including all the overhead, except part of the sales manager's salary, is \$37,720. Thus the advertising sales calls made through

the business paper cost the Parker-Kalon Corporation eight-tenths of a

Direct mail advertising is of two kinds: complete campaigns and special though sporadic mailing to particular groups. The recent direct mail campaign of three pieces, using samples to give it strength, was sent to 15,000 names of executives in metal working plants, electrical manufacturers, automobile manufacturers, body builders and railway officials. The cost of advertising sales call in this direct mail effort was twenty-two cents for each call.

The Parker-Kalon Corporation will have spent for 1929 in advertising \$65,000. In 1930, \$75,000 has been set as a minimum and a year's total may reach \$100,000.

Since, with the exception of the missionary salesman's contact of customers with the jobber's salesmen, the Parker-Kalon Corporation has no direct contact with its customers, it has not been able to establish the money return of the average personal sales call. In view of the cost of the missionary salesman's call, almost seven dollars, this selling tool is used sparingly and selectively. In contrast the inexpensiveness of the business paper advertising sales calls permits this medium to be used unstintingly.

#### McCray Will Increase 1930 Appropriation

The advertising appropriation of the McCray Refrigerator Sales Corporation, Kendallville, Indiana, will be considerably larger in 1930, H. M. Stewart, vice-president and general manager, has announced.

The company is using chiefly business papers and direct mail. The direct mail list of 600,000 prospects will be circularized four and one-half or five times in the fiscal year. There will be separate broadsides for grocers and markets, hotels and lunch rooms, bakers, confectioners, hospitals and institutions, and florists.

#### G. E. Promotes Quinn

T. K. Quinn, manager of the electric refrigeration department of General Electric Company, has been appointed to take general charge of the company's refrigerator business, including manufacturing, engineering and sales.

# From a "WAR BRIDE" To a NATIONAL PRODUCT

in a few years by the use of Dealer Premiums.

This result was accomplished with practically no other or supporting advertising.

We quote from an interview by a national trade publication with the General Sales Manager of the manufacturers:

#### Called Expert Aid

"At this point the need of expert assistance began to be felt, for there were the problems of the selection of the best premiums, the sources of supply, price, stocking and shipping, the clerical force necessary to handle the department and the space that must be devoted to the work. It looked like a large undertaking, and the solution was found in an arrangement that has ever since continued whereby the entire premiumdepartment was placed in the hands of the Premium Service Company, of New York City, acting for and in our name."

The complete story, as told by the General Sales Manager above referred to, will be mailed to any representative concern upon request.

Among other nationally known companies who are served in this way by The Premium Service Company (some of them for more than 20 years), are:

Lever Brothers Co., The J. B. Williams Co., McCormick & Co., Union Supply Co. (U. S. Steel Corp.), International Magazine Co. (Hearst Publications), etc.

For copy of the War Bride story and other information address

## The Premium Service Company, Inc.

E. W. PORTER, President
7 West 18th Street
New York City

#### Sales Management Weekly Index to Motor Activity

(Average of years 1924-28, inclusive. equals 100)

	4		
Year 192	9	Year 192	8
Oct. 12	124	Oct. 13	142
Oct. 19	123	Oct. 20	140
Oct. 26	116	Oct. 27	137
Nov. 2	108	Nov. 3	132
Nov. 9	103	Nov. 10	127
Nov. 16	103	Nov. 17	130
Nov. 23	100	Nov. 24	133
Nov. 30	98	Dec. 1	134
Dec. 7	104	Dec. 8	132
Dec. 14	109	Dec. 15	132
Dec. 21	112	Dec. 22	127
Dec. 28	114	Dec. 29	121
Jan. 4 '30	112	Jan. 5 '29	103

The exact sources of data on which the SALES MANAGEMENT Weekly Index of Motor Activity is based cannot be completely explained or disclosed for the rea-son that much of the information used is obtained in confidence. The computation itself is entrusted to one of the leading economists and statisticians of the automotive industry.

The principal factor involved is that of factory consumption, the data being used along this line involving approximately 25 per cent of the total production of the motor car industry. Inasmuch as produc-tion of automobiles is adjusted to retail sales at relatively short intervals of time, this index really portrays to some extent the trend of motor car retail sales as well as of motor car production. The volume of business transacted by the automotive industry, including its tremendous consump-tion of many and varied types of products as glass, steel, paint, cotton, copper, etc., gives this index of motor activity much significance from the standpoint of the business of the country at large. The fact that it can be obtained weekly also contributes to making it one of the most valuable indices to general business conditions that have been thus far developed.

#### Survey of Surveys

(Continued from page 50)

Group study would be one of the first to go on the list, Walter Camp or no Walter Camp. And to paraphrase the midway barkers it will behoove anyone not owning a copy of this book to "hop up, skip up, roll up, tumble up, or throw your money up" so as to be sure to get his 1930 copy, while it is still available. Price \$15 and worth twice that. Extra maps \$1.00. Cloth-backed wall maps \$10. Address: L. M. Barton, Secretary-Treasurer, 100,000 Group of American Cities, 400 West Madison Street, Chicago, Illinois.

#### Thumbnail Review

Central District Industrial Directory. Includes classified lists of the manufacturers and exclusive wholesalers in the states of Illinois, Indiana, Iowa, Michigan and Wisconsin and in the cities of Minneapolis, St. Paul, Duluth, Toledo, Louisville, St. Louis and Omaha. The Reuben H. Donnelley Corp., 350 East 22nd Street, Chicago, York. Ill., or 79 Madison Avenue, New

#### Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display. Cash Basis Only. Remittance Must Accompany Order.

#### WEST COAST REPRESENTATIVE

SALES REPRESENTATIVE, WEST COAST—Young American, twenty-seven, capable, resourceful salesman-executive, successful in East, to represent Eastern concern in California. Must be assured substantial income, real future. Address Box 221, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

#### SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FOR our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nation-wide, running to \$100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit Sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

#### **EXECUTIVES WANTED**

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service, of recognized standing and reputation, through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements; your identity covered and present position protected. Established twenty years. Send only name and address for details, R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

EXECUTIVES — CAPABLE OF EARNING from \$5,000 to \$50,000 per year can make profitable contacts in all parts of the United States through our service. Confidential and reliable. Write for particulars. Associated Executive Service, Inc., 1204 Colonial Bldg., Philadelphia, Pa.

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#### The Taxi Weekly Covers the Whole Cab Industry

New York Edition goes to 10,000 taxicab individual fleet and company operators. Issued Mondays. National Edition goes to 4,000 fleet and company operators throughout the U.S. Issued Mondays. Published in Its Own Printing Plant at 54 West 74th Street—New York City



ning our newest portfolio of Attention Compelling Letterheads will bring you an amazing amount of information and ideas ab It will show you (by specific examples) how we create colorful, cheerful, and more productive letterheads for the exclusive use of our custon

The Portfolio is sent free and without obligation. Merely pin this advertisement to your own letterhead, and mail to us.

MONROE LETTERHEAD
CORPORATION
165 No. Union Street
Akron, Ohio



**GIBBONS** CANADA knows 2152 Granbar Bidé.